DOCUMENT RESUME

ED 430 826 SO 029 169

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|---|---|
| AUTHOR | Webb, Farren |
| TITLE | The World Wise Consumer: Consumer Strategies in an Age of Scarcity. |
| INSTITUTION | Denver Univ., CO. Center for Teaching International Relations. |
| ISBN | ISBN-0-943804-89-2 |
| PUB DATE | 1995-00-00 |
| NOTE | 142p.; Contributors to the publication are Bruce Koranski, Twila O' Hotto, and Bridget Bohan. |
| PUB TYPE | Guides - Classroom - Learner (051) |
| EDRS PRICE | EDRS Price MF01 Plus Postage. PC Not Available from EDRS. |
| DESCRIPTORS | Consciousness Raising; Consumer Economics; *Consumer Education; Economic Factors; Economic Impact; *Economics Education; Elementary Secondary Education; Environment; Foreign Countries; *International Studies; Social Studies; Socioeconomic Influences; Supply and Demand |

ABSTRACT

This curriculum guide is based on the notion that consumers can no longer afford to buy goods without thinking of the consequences. The unit presents students with criteria for making wise consumer choices. Twenty-six lessons offer data for examination and encourage students to calculate the consequences of various courses of action. Lessons look at economic relations between nations, energy shortages, political instability in developing nations, the widening gap between the rich and poor between and within nations, the penetration of every economy by multinational corporation, massive food shortages, degradation of the environment, and refugees world wide. The focus is on how these phenomena are affected by or have an effect upon consumers. Student handouts, worksheets, and resources are provided. (MM)

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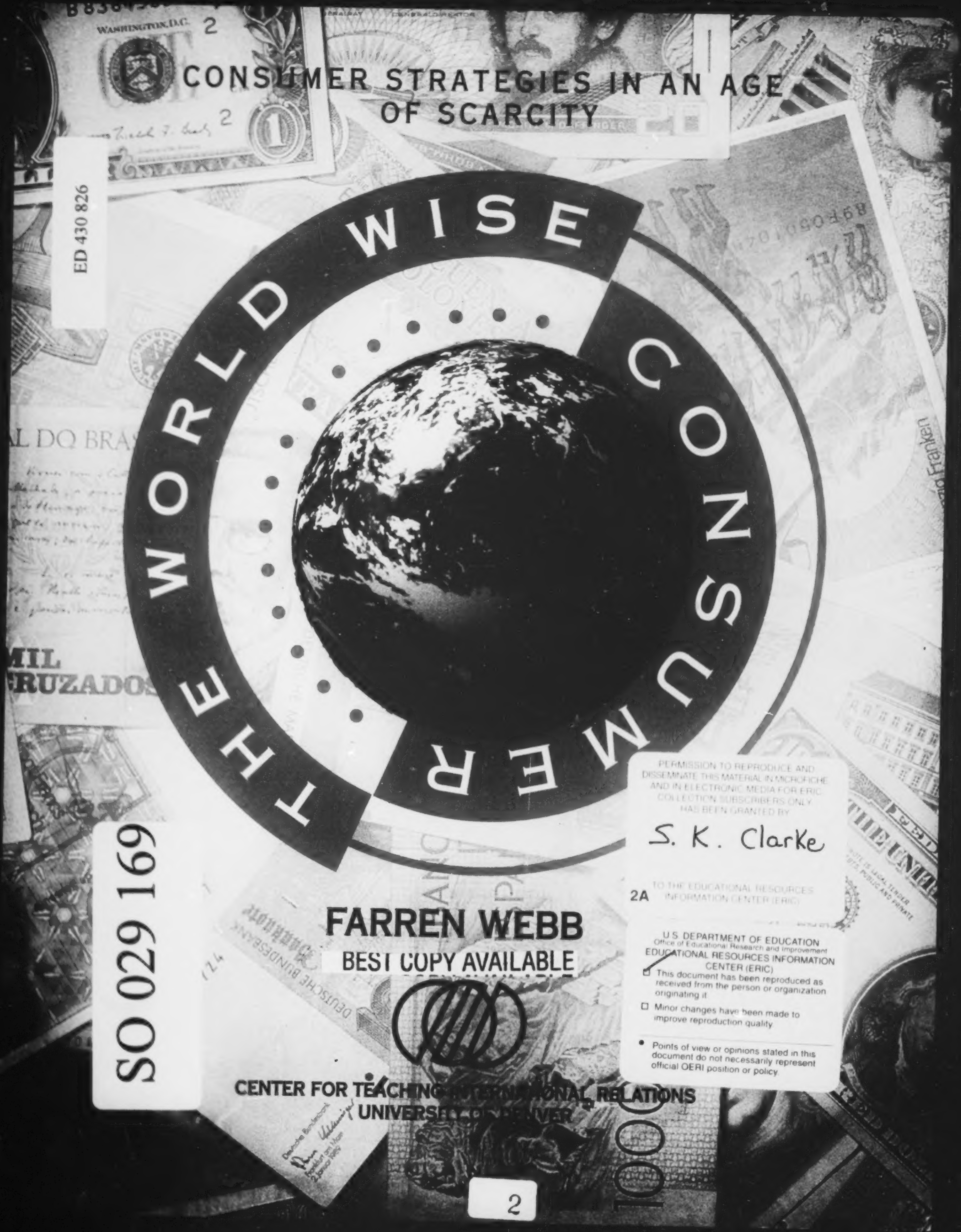
## CONSUMER STRATEGIES IN AN AGE OF SCARCITY



# THE WORLD WISE CONSUMER

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CENTER FOR TEACHING INTERNATIONAL RELATIONS
UNIVERSITY OF DENVER

# THE WORLD WISE CONSUMER

## CONSUMER STRATEGIES IN AN AGE OF SCARCITY

**Farren Webb**

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Printed in the United States of America
ISBN 0-943804-89-2

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# INTRODUCTION

In the 1960s and early 1970s, when schools began emphasizing consumer education for secondary students, most classroom activities were designed to help students learn how to "get the best deal." Budgeting, establishing credit, time payments, comparative shopping, and making wise consumer choices constituted the core of consumer education units or courses.

The OPEC oil embargo in 1973 painfully highlighted the economic interdependence among nations, and the focus of consumer education efforts shifted to an attempt to help students understand this perplexing economic state of affairs. Curriculum guides still devoted some attention to getting the best deal, but they also gave space to content related to economic relations between nations and how such relations affected consumers. For example, students spent time trying to understand how the relatively new multinational corporations transmitted economic effects from one nation to another. Consumer education courses did a pretty good job of helping students understand these new economic realities, but there were few attempts to develop strategies related to being a consumer in a global economy.

As we approach the year 2000, new conditions and new realizations seem to make the previous consumer education efforts irrelevant. International capitalism and agreements such as General Agreement on Tariffs and Trade (GATT), North American Free Trade Agreement (NAFTA), and those involving the European Economic Community have made talk about "national economies" hopelessly old-fashioned. The massive transfers of capital and jobs to other nations have left workers all over the globe wondering if economic stability will ever occur again. People feel helpless in the midst of the bewildering economic powers responsible for moving entire factories to other countries almost overnight.

People are, however, beginning to realize that many other problems and issues are related to the new global economy, and that many of these issues are actually symptoms of one huge interrelated issue. Energy shortages, political instability in Third World nations, the widening gap between rich nations and poor nations, and between the poor and the rich within many nations, the penetration of every economy by multinational corporations, the inability of many people to avoid starvation, the degradation of the environment, and the number of refugees worldwide, are all now viewed as many facets of one major problem.

The problem has been stated various ways (and in this book we will examine many of them), but the fundamental commonality among these statements seems to indicate that human beings have not learned how to manage the planet in such a way for development to be sustainable. Development that is not sustainable over the long run creates instability and displacements, which cause people (and other species as well) to suffer. Of course, this has tremendous implications for the individual consumer and how s/he makes daily economic decisions. Getting the best deal is a hopeless and foolish approach in a world where "what happens to some of us will very likely happen to all of us." When our desire for more and more things to consume outstrips the ability of the planet to provide those things, serious economic dislocations are inevitable, and political and environmental breakdowns are sure to follow. Remember the violence that occurred when people in the United States had to wait in line for two hours for gasoline in 1973? Imagine what will happen when gasoline is available only twice a week? A new touchstone for deciding what and when and how to consume anything is desperately needed. The activities in this book seek to provide students with these new criteria for making consumer decisions.

It is hoped that as a result of taking part in these learning activities, students will gain the information and the motivation to change their own consumer behavior. This needed change is profound. No longer can people afford to be influenced by advertisements. No longer can people afford to say, "I want it, therefore I'll buy it," without thinking of the consequences. No longer can people afford to support policies which allow one part of humanity to profit at the expense of some other part of humanity. No longer can people make consumer choices on the basis of "fashion."

Of course, just telling people these sorts of things will do little or nothing to change their consumer behavior. Students (and all of us are students in these matters) must be allowed to look at the data, must be allowed to calculate consequences of various courses of action, must be allowed the chance to become involved in the issues in such a way that lessons learned become a part of personal value systems. The activities in this book are one small step in that direction.

## WHAT ARE THE ISSUES?

**Introduction**

Before students begin a study of the consumer in the global marketplace, they need to become familiar with the wide range of issues and their implications, with respect to how people affect and are affected by the global economy. It is important for this activity to be carefully and thoroughly taught if students are to fully comprehend and benefit from the rest of the activities in this book.

**Objectives**

Students will be able to:

- Become familiar with the major issues related to the role of the consumer in the global marketplace.
- Develop the ability to calculate ramifications, in the present and in the future, of various global realities.
- Perceive and chart the interrelatedness of global economic, social, and political conditions.

**Grade Level**

8-12

**Time**

Ten hours

**Materials**

Handout #1, "Some Global Indicators"
Handout #2, "Implications"
Newsprint and markers

**Procedures**

1. Distribute Handout #1, "Some Global Indicators," and tell students that each of the statements represents a fact or opinion regarding the health of the planet. Ask them to pick out the five statements that they feel are the biggest threats to their own personal way of life.

2. Divide students into groups of three. Explain that each group is to come to a consensus on the five statements they feel represent the biggest threats, rank order the five (biggest threat first), and list their reasons for making these decisions, on newsprint.

3. Ask each group to post their sheet of newsprint and report to the rest of the class why they felt these particular statements and the conditions they describe represent such a threat.

4. Make a list of the statements the students chose and use the rank order responses to tabulate the items the class as a whole perceived as threats.

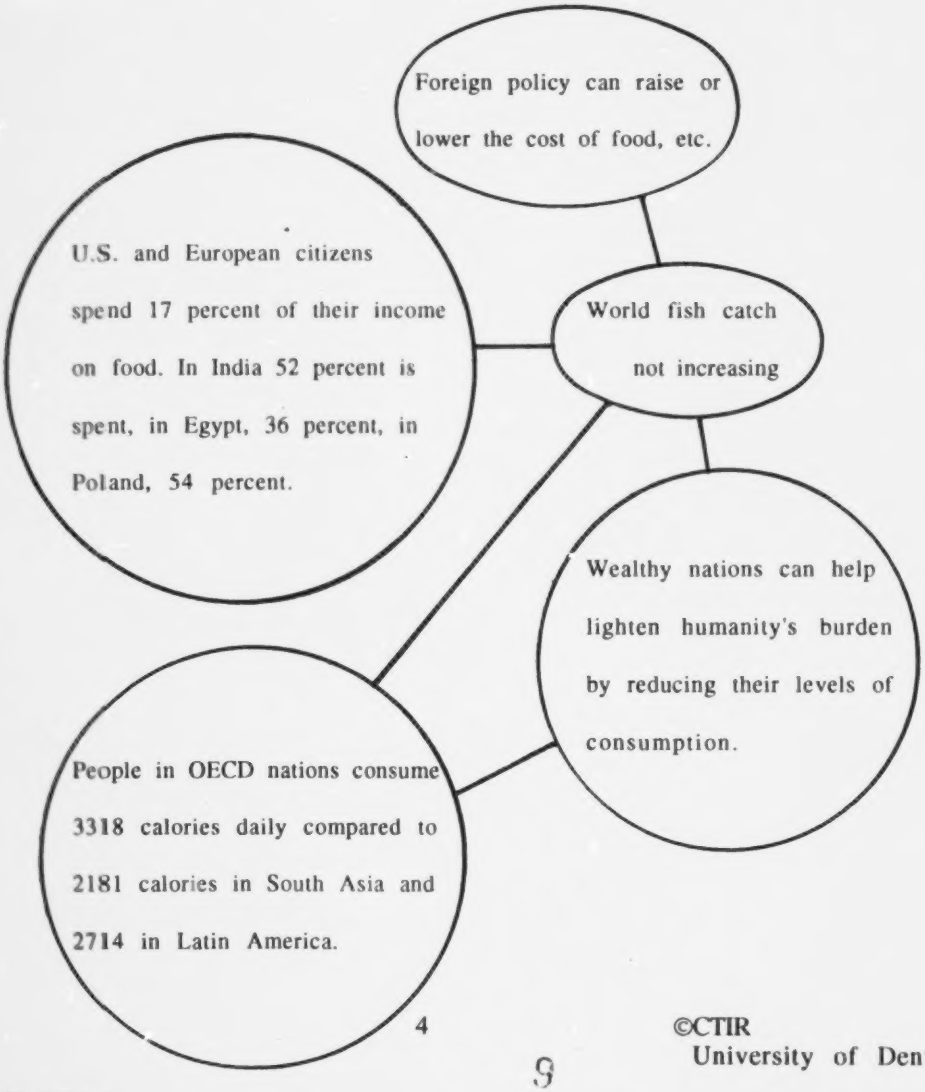
5. Now ask the groups to use the same handout, but they are to pick out the items they feel will be the biggest threats to their children. Tabulate the responses as before and compare with the first list. Encourage the students to comment on any differences they see between the two lists.

6. Randomly assign or ask the students to choose one of the statements from Handout #1. Distribute Handout #2, "Implications." Make certain that the students understand the word "implications," and ask them to complete the tasks listed on the handout. Send them to the library.

7. After they have completed their research, make a master list of unfamiliar terms that the students have gathered and clarify the meaning of each.

8. Have the students display their charts, graphs, or collages to the rest of the class and report on their research.

9. Divide students into groups of three again and have them make an interrelatedness web using any ten statements from Handout #1. Use the example below to get them started. When they have completed this task, have them put their webs on newsprint and report to the rest of the class how they see each of these issues being related.


Foreign policy can raise or lower the cost of food, etc.
U.S. and European citizens spend 17 percent of their income on food. In India 52 percent is spent, in Egypt, 36 percent, in Poland, 54 percent.
World fish catch not increasing
Wealthy nations can help lighten humanity's burden by reducing their levels of consumption.
People in OECD nations consume 3318 calories daily compared to 2181 calories in South Asia and 2714 in Latin America.

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**Further Activities**

1. Have students, in pairs, write scenarios for what might happen in the world over the next twenty years and present them to the class.

2. Have students make lists of consumer dos and do nots if we are to do our part in avoiding global tragedy over the next twenty years.

# SOME GLOBAL INDICATORS

1. In the OECD (Organization for Economic Cooperation and Development) nations the number of people per car is 2.6, people per TV is 2.0, and people per telephone is 2.5. In South Asia there are 794 people per car, 172 people per TV, and 285 people per telephone. In Latin America there are 86 people per car, 16 people per TV, and 16 people per telephone.[1]

2. In the U.S. and Canada about 17% of the average family's money is spent on food. In India it is 52%. In Egypt it is 36%. In South Korea it is 44%, and in Poland 54% is spent on food.[1]

3. Many present development trends leave increasing numbers of people in poverty while destroying the environment, such as deforestation of the rain forest. How can such "development" be thought rational, especially when considered in the context of world population doubling over the next fifty years?[2]

4. World meat production has increased from eighteen kilograms per capita in 1950 to thirty-two kilograms per capita in 1992.[1]

5. The U.S. spends two/tenths of 1% of its GNP on foreign aid. Italy spends more than four/tenths of 1%, Finland spends about seven/tenths of 1%, and the Netherlands spends almost 1% of its GNP on foreign aid.[1]

6. By 1991, air pollution had damaged 22% of all forests in Europe. The United Kingdom was hardest hit; suffering damage to 57% of all its forests.[1]

7. Since World War II air travel in the world has increased seventy times. A plane carrying one passenger one kilometer expends 3100 BTU of energy. An automobile expends 2200 BTU, a train 1500 BTU, and a bus 600 BTU. Air travel uses more than 10% of the world's consumption of transportation fuel. Air pollution from jets stays in the atmosphere 100 times longer than air pollution released at ground level.[1]

8. The people who live in the twenty-four richest nations that make up the OECD consume 3338 calories per day compared to 2151 calories in South Asian nations and 2714 calories in Latin America.[1]

9. Each person in the U.S. and Canada consumed energy equivalent to about 9500 kilograms of coal last year. People in India consumed energy equivalent to 275 kilograms of coal, people in Egypt consumed 674 kilograms, and people in China consumed 749 kilograms of coal.[1]

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[1] Taken from Book of Vital World Statistics, London: The Economist, 1992.
[2] Taken from New State of the World Atlas, Simon & Schuster Inc., 1991.
[3] Taken from World Resources, Oxford University Press, 1994/95.
[4] Taken from World Resources, Oxford University Press, 1994/95.

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10. In 1960 there were approximately 70 million tourists who traveled to a foreign country. In 1986 there were approximately 340 million foreign tourists. In 1960 tourists spent less than 10 billion dollars; in 1986 they spent almost 140 billion dollars.[2]

11. The people living in OECD nations average 2.81 persons per dwelling while those living in South Asia average 5.94 persons per dwelling. Latin Americans average 4.4 persons per dwelling, and in the Middle East and North Africa the average is 6.24 persons per dwelling.[1]

12. Individuals in wealthier countries can help lighten humanity's burden by voluntarily reducing their personal levels of consumption.[2]

13. Total global expenditures on advertising multiplied sevenfold from 1950 to 1990. Measured in per capita terms, in 1950 advertisers spent $15 for every person on the planet. In 1990 they spent $48.[1]

14. In 1992, the world economy, measured by gross world products (GWP), expanded by less than 1%. This growth does not take into consideration the economic losses due to damaging effects of economic activity, destruction of the ozone layer, medical costs of environmentally induced illnesses, loss of tropical rain forests and so on.[1]

15. The international movement of people, as immigrants or refugees, has emerged as one of the most complex and volatile issues of the post-Cold War era. By the end of 1991 there were more than 18 million refugees, millions of legal immigrants and countless illegal immigrants, and over 20 million civilians uprooted within their own lands. Western countries now spend about $7 billion per year to simply support asylum seekers within their borders.[2]

16. At present, the world spends $1 out of every $20 on military weapons.[2]

17. Since 1972 40% of the world's grain supply has been fed to animals. With the global increase in population almost certainly exceeding per capita income in the years ahead, the amount of grain needed for human consumption could cause the amount of grain available for animals to decrease sharply.[1]

18. In 1950, 8 million automobiles and 11 million bicycles were produced. In 1992, 35 million cars and 100 million bicycles were produced. An auto costs 100 time as much to produce as a bicycle, and only 10% of the world's population can afford a car.[1]

19. The world energy economy is restructuring away from investment in fossil fuels and nuclear power toward investment in efficiency and renewables. The high for oil output occurred in 1979, coal in 1989, and nuclear power in 1990. Solar and wind power and energy efficient technologies continue to expand.[1]

20. For every dollar that Americans have to spend, Indians have 5 cents, Indonesians have 9 cents, Chinese have 12 cents, Egyptians have 16 cents, and Mexicans have 26 cents.[1]

21. Between 1950 and 1990, wood harvest in the world doubled, water use tripled, oil production increased nearly six times, and environmental damage increased proportionally.[2]

22. The U.S. is the world's leading military power. In 1989 the U.S. paid 237 million dollars for military expenditures, more than the U.K., France, Sweden, Saudi Arabia, China, West Germany, Iraq, Japan, Iran, Italy, Canada, East Germany, Israel, India, Australia, South Korea, Spain, The Netherlands, Poland, Indonesia, Czechoslovakia, Libya, Taiwan, South Africa and Norway combined.[2]

23. Citizens of the world need to stick to a strategy that favors investment in the future over consumption for the moment.[1]

24. In 1960 the richest 20% of the world's population made thirty times more money per year than the poorest 20% of the world's population. In 1990 the richest 20% made sixty times more money per year than the poorest 20% of the population.[2]

25. The world's fish catch in 1990 was about 85 million tons. All seventeen of the world's major fishing areas were reported to have reached or exceeded their limits. It is unlikely the world fish catch can go much beyond 100 million tons.[1]

26. World cropland may increase about 5% by 2010, but with world population increasing so rapidly, per capita cropland will decline by about 20%.[1]

27. Human beings seem to be unable to discriminate between technologies that help sustain our lives and those that harm the earth.[2]

28. Today foreign policy can raise or lower the cost of your home mortgage, raise or lower your food prices, create a new job for you or cause you to lose the one you have.[2]

29. Hundreds of millions of people are born each year into a world of desperation and deprivation unimaginable to most Americans.

30. Greater efficiency in energy use is essential for the United States, Higher energy prices are unavoidable.[1]

31. Human population could quadruple to 20 billion people by the year 2100.[1]

32. The richest fifth of the world's population receives 83% of the total income. The poorest three/fifths of the world's population receives only 6% of the world's income.[3]

33. The twenty-four nations belonging to the OECD produced about 70% of the world's gross domestic product in 1991.[3]

34. Russia and Iran have almost half of the world's proven reserves of natural gas, and OPEC has 77% of the world's proven reserves of oil.[3]

35. Human beings have destroyed 12% of the world's productive land and use another 27%, leaving only 60% of the world's productive land for food to supply all the rest of the world's land based plants and animals.[2]

36. The U.S. has .5% of the world's population and consumes 50% of the world's cocaine. The U.S. has the highest rate of drug abuse of any industrialized country in the world. The U.S. spent 40 billion dollars on illegal drugs in 1990.[1 & 3]

37. In 1990 36 million Americans lived below the poverty line; an increase of 4.2 million over 1989. The poverty line in 1990 was $13,924 per year income for a family of four and $6,932 for a person living alone.[3]

38. The big companies in the U.S. (those with over 500 employees) made up less than 1% of the 3.9 million companies in the U.S. They accounted for almost half of all sales and receipts.[3]

39. In the U.S. the richest 20% of the population receive 28.1% of the national income. The lowest 20% receive 4.2% of the national income.[4]

40. In the United States there are 438 people for every physician. In Mexico there are 1,102, in Chile there are 1,958, in Nigeria there are 8,326, and in Ethiopia there are 78,740 people per physician.[4]

41. In 1890, 32% of the world's land was covered by forests. Now only about 12% of the world's land is in forests. We continue to lose about 4% of our forests every ten years.[2]

42. Inflation rates for the years 1984 to 1989 for these selected countries are as follows: U.S., 3.6%, Mexico, 77.3%; Canada, 4.2%; Israel, 5802%; Yugoslavia, 101.1%; Argentina, 444%; and New Zealand, 11.3%.[1]

43. The non-military sources of instability in the economic, social, humanitarian, and ecological fields have become threats to peace and security.[2]

44. The United States is sauntering through her resources and though the wages of her politics with an easy nonchalance; but presently there will come a time when she will be obliged to pull herself together, husband her resources, concentrate her strength, steady her methods, sober her views, restrain her vagaries, and trust her best, not her average members. That will be a time of change.[2]

45. Gasoline prices per gallon in 1990 were $1.12 per gallon in the U.S., $1.75 in Australia, $3.25 in Spain, $3.60 in Japan, $4.40 in the Netherlands, and $4.85 in Italy. The tax per gallon was 33% in the U.S., 54% in Australia, 65% in Spain, 46% in Japan, 72% in the Netherlands, and 75% in Italy.[2]

46. In 1987, international trade accounted for 20% of Australia's total trade, 33% of Canada's, 53% of the Netherland's, 18% of Japan's, 12% of the U.S.'s, and 2% of the Soviet Union's.[1]

47. In 1990, population density per square kilometer for selected nations is as follows: Japan, 325 people per sq. kilometer, the Netherlands, 396 people, Singapore, 5,308 people, India, 242 people, Israel, 219 people, United Kingdom, 234 people, and the United States, 26 people.[1]

48. Population growth rates from 1983 to 1988 for selected nations are as follows: U.S., 1%, Japan, 0.5%, U.S.S.R, 0.8%, South Korea, 1%, India, 2%, Pakistan, 3.1%, Kenya, 4.9%, Mexico, 2.1%, and Iran, 3.5%.[1]

49. In 1989, the following selected nations reported the number of people per 1000 who were known to have AIDS. Canada, 1'2 people per 1000 population; USSR, 0.1 people; France, 14 people; Norway, 3.1 people; the U.S, 46 people; Kenya, 25 people; Uganda, 43 people; Bermuda, 210 people; Brazil, 5.5 people.[1]

Handout #2

## IMPLICATIONS

1. Write the statement you will be researching below.

__________________________________________________

__________________________________________________

__________________________________________________

__________________________________________________

2. Go to the library and find three pieces of information that clarify or explain in more detail the statement written above. Write them on the back of this paper.

3. Make a list and define at least five terms you found in your research that you think are unfamiliar to most of your classmates. For example, "third world nations" or "underdeveloped."

4. List five major implications of your statement for each of the following groups of people: a) contemporary North Americans, b) citizens of a poverty stricken nation in Asia, and c) your great grandchildren.

5. Make a chart, a graph or a collage (or all three) which illustrates your statement and its implications both now and in the future.

6. Using all the above information make a ten minute presentation to the rest of the class.

## CHALLENGING ASSUMPTIONS

**Introduction**

Many people in the more wealthy nations have developed a set of assumptions which helps them rationalize their privileged status and also helps them avoid their responsibilities to the rest of humanity. This activity might help students challenge some of those assumptions.

**Objectives**

Students will be able to:

- Examine commonly held beliefs and assumptions by gathering facts.
- To become aware of the myths which lie behind some frequently held assumptions.
- Develop a sense of moral responsibility regarding their place as consumers on the planet.

**Grade Level**

8-12

**Time**

Three hours

**Materials**

Handout #3, "Assumptions"
Newsprint and markers

**Procedures**

1. Begin a discussion with the fact that the citizens of the United States comprise 6 percent of the world's population yet consume 35 percent of the world's resources. Ask students how they feel about this state of affairs. Then ask them if U.S. citizens have any responsibility to the other 95 percent of the world's population, particularly the one in four who live in absolute poverty. List some of their responses on newsprint.

2. Distribute Handout #3, "Assumptions," and compare some of the assumptions on the list to those just given by the students.

3. Divide students into groups of three and ask them to go to the library or use in-class reference books and find evidence to support or refute three of the assumptions on the handout. Be sure that an equal number of students is researching each of the ten assumptions.

4. When the students have finished, ask them to list the results of their research on newsprint and report to the rest of the class.

5. Go over each of the assumptions with the class, using the information below. Remember, you are not trying to give them the "right" answers to the issue embodied in each assumption, you are only trying to cast doubt regarding the validity of each assumption so that students will continue to think about their own values regarding them. The following material comes from A Better World For All, which is a textbook from Australia.

## MYTH AND OPINIONS ABOUT THE THIRD WORLD AND AUSTRALIA THAT MUST BE CHALLENGED

### MYTH 1

| | |
|---|---|
| Overpopulation is the problem | - They just need less kids--they breed like rabbits.<br>- Population is the greatest problem.<br>- Their problems would be solved if they would only control their population growth. |

**Assumption** Population growth is the main reason for poverty.

**Answer** *Population is a problem in so far as people are consumers. The people who consume most are the well-to-do groups in the rich countries. The USA with 6 percent of the world's population consumes 35 percent of the world's resources--the same amount as the entire developing world.*

An average of 1 billion inhabitants of the poorest countries consume 1 percent of the energy that 260 million in the USA use annually. The US and USSR spent $430,000 million on the military in 1983, three times as much as the whole of the Third World spent on health and education (Sivard, 1986). There is enough wealth and resources in the world for us all to live decent lives. The problem is that the resources are not shared equally.

Large families are more a result of poverty than the cause of it. Children for some people are an economic necessity. The rich world's population slowed when their standards of living improved. The poor world will do the same.

### MYTH 2

| | |
|---|---|
| There is only one way to develop | - They should learn from us.<br>- Technology will provide the answers to Third World problems.<br>- 'If only they were like us, adopted our way of life, they'd be fine.'<br>- Modern science will be able to overcome the food problems with miracle seeds, fertilizers etc. |

**Assumption** Our methods are better than theirs.
They have problems we don't.
Our technology, modern science and way of thinking is the answer.

**Answer** *In all countries, whether they be part of the third world or first world, people are continually developing new ideas and technologies to overcome problems. These developments should be shared amongst all peoples. We can all learn from each other.*

*To assume that the Third World can only learn by following our example, is a very outdated idea.*

Western society does have problems--environmental degradation, nuclear disasters such as Chernobyl, and social problems such as old people dying alone or child abuse. All of these can be attributed directly or indirectly to maldevelopment.

In some of the world's most technologically advanced countries, technology is itself creating social and economic problems. The appropriate type and use of technology in Third World countries can help satisfy some of the population's basic needs such as food, other agricultural production and water supply. However, the technology used will often be different from that used in rich countries.

**MYTH 3**

| | |
|---|---|
| They like the simple life | - Most of them are quite happy as they are.<br>- People in Third World countries only have physical needs--theirs is a simple life. |

**Assumption** People elsewhere do not have the same needs as us because their societies are primitive and less complex than ours.

**Answer** *People everywhere have basic physical needs--food, shelter and clothing. However people everywhere need much more than these. They need to be loved, to be part of a family and community, to have meaningful work, a sense of identity, good health and health care, education opportunities, freedoms and other rights as declared by the United Nations.*

All societies have developed complex structures over centuries, and they should never be dismissed as primitive and less complex. Again, this view is from our perspective. It ignores the diversity and complex religious and cultural values of others. The picture of 'happy native' is often a superficial view from the eye of a tourist, or from a tourist brochure. Whatever the society or environment, there will be considerable variations in the level of happiness of individuals.

## MYTH 4

| | |
|---|---|
| We're OK-- let them die | - There's no point in helping them anyway--they just die.<br>- If we help starving people there are only more mouths to feed, what's the sense in that?<br>- What's it got to do with us anyway? It's their fault and their problem.<br>- That's the way things are--the world's like that. |

**Assumption**

There is no chance of improving the lives of the majority of the people of the Third World. We need to be harsh to be kind and let them die.
People in other countries are worth less than us.
The world is not interdependent.
The best approach is for us to put our heads in the sand.

**Answer**

*Even if helping starving people did lead to a population increase, that would hardly be a reason for not helping them. To withhold aid on that basis would be to demand the sacrifice of large numbers of people to make life easier for the rest. Surely no one could accept that.*

People in poor countries, with high infant mortality rates and no old-age pensions, need large families for security so that at least some children will support them in their old age.

## MYTH 5

| | |
|---|---|
| They are so helpless | - Why don't they help themselves?<br>- If they're so clever, how come they aren't rich?<br>- We've done okay, why can't they?<br>- We work hard, we deserve our success and privilege. Pity they don't work to succeed--they're just lazy. |

**Assumption**

People in the Third World are not making an effort to help themselves, whereas we have done well, from our own efforts.

**Answer**

*People in the third world countries are helping themselves. Against all odds, developing countries are financing over 80 percent of their own development by their own work and their own earnings. There are barriers to self-help which are thrown up by the rich world, and which are our responsibility.*

*The developing world depends on raw materials for most of its income. Raw materials--both supply and demand--fluctuate wildly. This makes self-help and sound planning extremely difficult and frustrating.*

In general, throughout this century manufactured goods have grown more and more expensive and raw materials (foods and fibers) have become cheaper. Inflation in the western world in the last twenty years means that the countries of the South had to grow and export more and more crops to buy the same item from the industrial world.

*Judgments that the people are lazy, unintelligent or funny are based upon our prejudices and perspectives, not on facts. In many cases they are blatantly racist and uninformed.*

It is very evident, particularly from studies, such as the average women's work day in Africa and Asia, that people work long hours at hard tedious jobs. Throughout South East Asia people for centuries have constructed, maintained and operated complex wet rice production systems based on hill terracing. To build this system required an understanding of hydrology, soil science, agronomy and a general concern for a sustainable environment.

Recognizing the weakness of being dependent on raw materials, many poor nations have tried to help themselves by exporting more manufactured goods like textiles, wood products, or shoes, which would provide increasing revenue and employment. But in almost every important case they have been prevented from helping themselves in this way by the tariff barriers and quotas imposed on their manufactured exports by rich nations. The United States allows iron-ore to be imported duty-free, but levies a 10 percent or 20 percent import tax on steel pipes or pins. The Common market allows raw jute to enter Europe duty-free, but slaps a 10 percent or 15 percent tax on woven jute products. Australia imposes tariffs of up to 152 percent on clothing manufactured overseas.

**MYTH 6**

| | |
|---|---|
| Charity begins at home | - There are enough poor people here in Australia, we should look after them first.<br>- What about our Aborigines?<br>- I don't give to overseas aid appeals, I want my money to stay and help poor people in Australia. |

**Assumption** If we are to help anybody through charity, we should help our own poor.

**Answer**

*Certainly there are many people in need in Australia. But in NSW alone, there are over 8,000 registered charities serving them. As well, our Government provides pensions, unemployment benefits and many other social welfare services to Australians in need. Social welfare programs are almost non-existent in the Third World, so poor people do not have Government welfare to fall back on. As well, there are vastly greater numbers of poor people in these countries.*

There are almost 200 agencies in Australia that help the poor overseas, who experience suffering and deprivation on a scale almost totally unknown in Australia. Can we turn away from such massive human need, especially when we have the resources to help both home and abroad?

The numbers of malnourished, sick and illiterate people in the world is increasing at an accelerating rate because of wars, economic and social exploitation, misused technology, unfair trading and monetary structures, inflation and ill-informed policy making in all nations both rich and poor.

In meeting the real need--the need for political change and social justice--there is no conflict between the poor 'at home' and the poor 'overseas.' The principle that demands justice for the Aborigines demands the same for the blacks of South Africa; and the need for fair treatment of the old people or homeless youth of our cities demands the same for the poor and homeless of Calcutta or Manila.

**MYTH 7**

| | |
|---|---|
| They need us | - They wouldn't even be where they are today if it weren't for us.<br>- They can't cope unless we look after them. |

**Assumption**

Famine, refugees and extremes of poverty are the whole story.

These people are inferior to us and their difficult circumstances can only be corrected by us.

**Answer**

*Very often more is done by the poor people helping each other, than by the assistance of the West. Often such stories of these people cooperating to help each other is ignored.*

The western media has led us to believe that the only way poor people can cope, particularly in emergency situations, is by depending on western countries.

*The very large majority of people in countries look after themselves during non-emergency times. They did this long before they came into contact with the West.*

Bangladesh, now one of the poorest nations, was able to feed her population before Western colonial powers intervened and changed the agricultural patterns from food crops to cash crops, which supply western markets. It is our Western exploitative practices that cause or allow the problems to continue.

In fact we make much more profit out of Third World countries than we give them in return. In 1986 twice as much money was paid by Africans to rich countries through repayment of official and private loans, and profits from private investments than was sent to Africa in the form of aid.

**MYTH 8**

| | |
|---|---|
| Giving our food surplus and charity is the answer | - It would be okay if only the rich countries sent their food surpluses to the poor.<br>- We could send our old clothes and things we don't need. |

**Assumption** Food aid and charity are all they need.

**Answer** *We need to work in partnership with people and avoid acting like a rich relative giving to a poor child.*

Continuous food aid can be damaging in long-term development work. Food aid competes with local crops for handling and storage facilities, it tends to make people dependent on imported rather than local food stuffs and depress local agriculture (See George, S., *How the Other Half Dies).*

In emergency situations food aid is provided to save lives (for example, in Ethiopia) and at times people in dire circumstances need clothing (for example, in Mozambique). However in the long term the transportation costs of sending clothes, medical supplies, building materials and other goods overseas is prohibitive.

In development programs, money is given to enable groups to buy equipment, seeds, animals, fertilizers, or whatever they need.

**MYTH 9**

| | |
|---|---|
| Our aid supports violent revolutionary movements or corrupt governments | - The money from Australia only goes to support violent communists and guerrilla groups who fight the real government.<br>- They're all corrupt, they'll misspend any money we give them.<br>- They just fight amongst themselves all the time so aid is no use. |

**Assumption** Our aid money goes directly to buy guns which are used to overthrow legitimate governments.
'They' are more corrupt and irresponsible than 'us'.

**Answer** *Aid should be given on the basis of need regardless of political ideology.*

Humanitarian aid is continually given to many different groups as well as to governments. Some of these groups and governments have been involved in conflict, but giving humanitarian aid to them does not condone violence. If it did, organizations that carry out humanitarian work in war situations such as the Red Cross and the Salvation Army would also be guilty of 'condoning violence'. Yet no-one levels such accusations at them.

The World Council of Churches' Program to Combat Racism has been a prime target for such propaganda. In fact, the money given to this program is used for humanitarian purposes--medical work, education, rural programs--by movements active in the fight against racism. Sixty percent of the money is spent with groups in Southern Africa.

There are people who benefit from others' poverty and it is from them that this statement originates, for they do not want their exploitative practices stopped.

*All these factors severely erode the value of the millions they get in aid.*

In Australia, as with most countries, government and nongovernment organizations have representatives in the field who are directly involved in choosing projects, overseeing, activities are costed in detail in advance. Money given for any aid projects is accountable.

Government and nongovernment agencies can give the breakdown of figures.

Sometimes a project will fail for social/political/religious reasons, but the misuse of *money is exceptionally rare due to the constant* monitoring and evaluation by field staff, area supervisors (in some districts) and project staff in Australia or elsewhere.

*Statements which attribute corruption and violence only to Third World countries are racist and ignore the evidence or findings of happenings in our own or other Western and Eastern bloc countries.*

**MYTH 10**

| | |
|---|---|
| Aid just goes into a bottomless pit | - What about the millions they already get in aid?<br>- The money doesn't get there anyway. |

**Assumption** We are already giving them enough.
No benefits come from the money and help we do give them.

**Answer** *The United Nations asked that rich countries of the world give 0.7 percent of their gross national product every year in development aid to poor countries. Some countries claim to exceed this target. But this grossly overestimates the amount of genuine aid given for world development.*

Few countries have reached the UN target and some, like Britain and the United States, have not even accepted it as a target. Australia accepted it as a target in 1980. But we have yet to reach that figure.

In practice, most rich countries except perhaps Norway, the Netherlands, Denmark, Sweden and Finland are giving smaller and smaller proportions of their wealth in official aid.

*But even official aid is exaggerated in the way it is measured.*

With the exception of a small number of countries (including Australia), much aid given to the developing countries is in the form of loans, which have to be repaid often with interest. The total external debt of developing countries stood at over $US 1,300 million at the end of 1988, compared to $US 830 billion in 1982. Already, several poor nations are paying back to the rich world more in debt and interest repayments than they are receiving in aid.

The real value of official aid is further reduced by the common practice of stipulating that aid money can only be used to purchase products from the country which is giving the aid. Well over half the rich countries' aid is 'tied' in this way, and studies in Pakistan have shown that goods purchased with tied aid cost on average 50 percent more than they would if the Pakistani Government had enjoyed the freedom to shop around. This figure is probably exceptional, but a study commissioned by the World Bank found that goods purchased with tied aid were, on average, 20 percent more expensive.

# ASSUMPTIONS

1. Overpopulation is a major global problem. People have too many children. If nations could control their population growth, most of their problems would be solved.

2. The poor countries should follow our example. Our technology can provide solutions to most Third World problems. Science can create miracle seeds, better fertilizers, nonpolluting industries that could make life in poor nations much better.

3. People in poorer parts of the world have a simple lifestyle which they enjoy. They do not have the same needs as more "modern" people. They like things the way they are.

4. There is little chance for improving the lives of people in the poorer nations. Even if we did help them improve their lives, it would lead to a population increase that would eventually kill lots of people anyway. It is just the way the world is, some people are going to die.

5. People in poor nations just do not work hard enough. We work hard and deserve our success. We have done it, why can not they? Lots of them are just lazy.

6. We need to help the people in our own country. Charity begins at home. I do not want my money or taxes going overseas. It is just a waste. It will not help anybody.

7. The poor people of the world are dependent on us for help. Without our help, they would not even be where they are. They can not cope without our help.

8. Sending food and old clothing to poor countries is a good idea. If these people could get what we do not need, their lives would be much better.

9. If we give money to poor nations they will use it to overthrow the government, or they will use it wastefully. They fight so much among themselves that they can not benefit from our foreign aid. They never appreciate what we are doing for them.

10. Foreign aid goes into a bottomless pit. Most of it is taken by bureaucrats and does not even reach the poor nations. The need is so great and what we can give is so little that it just does not matter anyway.

# RIGHTS

**Introduction**

North Americans, Western Europeans and the Japanese have become so used to having almost unlimited resources that they sometimes feel that they have the right to consume as much as they want. This activity always generates lots of argument about "consumer rights."

**Objectives**

Students will be able to:

- Become aware of the contradictions implicit in commonly held beliefs about our rights to consume and to live in healthy environments.
- Develop an understanding of the consequences of the attitude that everyone has the right to consume whatever they can afford.
- Clarify values regarding which human rights are more important than others.

**Grade Level**

8-12

**Time**

Three hours

**Materials**

Handout #4, "Rights"
Newsprint and markers

**Procedures**

1. Distribute Handout #4, "Rights." Ask the students to write an "A" to the left of each statement with which they agree and a "D" to the left of those statements with which they disagree.

2. Ask them to form trios and come to consensus (if they can) on their choices.

3. Ask each group to report to the entire class on which items they were unable to agree. Have them talk about why they disagreed. On newsprint, make a list of the consequences they felt would result if, for example, every human had the right to own a car and drive it whenever s/he wanted.

4. Ask students in each group to pair up items that seem to exclude each other. For example: #17, "Have a fire in your own fireplace whenever you want," would seem to prevent people from having the right to #19, "Breathe clean, unpolluted air." Have each group report to the class the items that they felt were mutually exclusive. Add some of their comments to your list of consequences.

5. Ask students to circle the top ten most important rights on the list. Have them try to consider the whole of humanity in making their choices. Also ask them to put a square around the ten least important items on the list. In their groups have them come to consensus on their top ten most important and ten least important rights. Have each group report to the rest of the class the criteria they used to make their decisions. You might make up a master list of the entire class's choices.

6. Collect all the student copies of the handout.

7. The next day go over with the students the list of consequences from the previous day. Then distribute to all students another copy of the handout. Ask them to write "A" and "D" as they did before. Then distribute the handout each student used in his/her initial response. Ask them if and why they changed any of their responses.

# RIGHTS

Every human should have the right to:

1. Have a dishwasher, trash compactor, washer, dryer, freezer, and any other appliance s/he can afford and might want.

2. Have as many children as s/he wants and can afford to support.

3. Build a wind generator in the backyard even if the neighbors think it's ugly.

4. Commute to work on a bicycle in safe bicycle paths (reserved for bicycles).

5. Own a car and drive it whenever and however much s/he wants.

6. Own and drive a Winnebago or large camping trailer on vacation (if that is what s/he wants and can afford).

7. Observe and enjoy wildlife in its natural state.

8. Own a large speedboat and dune buggy for recreation.

9. Be assured (guaranteed) that any new house purchased will have maximum insulation and energy saving features.

10. Live in a community that has preserved much of the beauty of natural surroundings.

11. Be free from exposure to unsafe substances in food.

12. Camp and hike in unspoiled wilderness.

13. Ride a wild river, white-water rapids, clean, unpolluted.

14. Have access to cheap, convenient, reliable, mass transit systems in cities.

15. Have unhampered access to use of the sun for home heating. (Sun shining on your house can not be blocked by neighbors.)

16. Be safe from the possibility of misuse of nuclear materials by terrorists or from radioactive poisoning from nuclear accidents in power plants.

17. Have a fire in you own fireplace whenever you want.

18. Buy any kind of car s/he wants and can afford.

19. Breathe clean unpolluted air and drink clean water.

20. Travel a long distance on vacation every year.

21. Use as much gasoline, natural gas, and electricity every year as s/he can afford.

22. Enjoy the convenience of throw-away cans and bottles.

23. Eat as much meat in his/her diet as s/he likes.

24. Set the thermostat at whatever level s/he feels is comfortable.

25. Choose the type of heating s/he will have in his/her home (gas, electric, wood, fuel oil, solar).

26. Live in a single family dwelling, own her/his own home.

27. Be educated in a carpeted classroom.

28. A "free" education at a four year college.

29. Take as many baths or showers as you want.

30. An equal amount of energy to expend as you wish.

31. Always get a free drink of water.

32. Have a vegetable garden that puts a strain on existing water supplies.

33. Use a restroom free.

34. Obey only those laws with which s/he agrees.

35. An education.

36. Choose whether or not to fight in a war.

37. Food stamps.

38. Express her/his opinion.

39. Own and bear arms.

40. Oppose construction of highways and bridges that would change rural areas to urban.

# THE GOVERNMENT AND THE CONSUMER: AN ATTITUDE SURVEY

**Introduction**

This activity is designed to help students consciously examine their attitudes about government involvement in consumer affairs and to compare their attitudes with those of other students.

**Objectives**

Students will be able to:

- Clarify their attitudes about government participation in consumer protection.
- Become familiar with regulatory functions a government performs within the market place.

**Grade Level**

7-11

**Time**

Thirty minutes

**Materials**

Handout #5, "Attitude Survey"
Newspaper clippings (optional)

**Procedures**

1. Distribute Handout #5 and have students complete the questionnaire.

2. Compile class results on the chalkboard.

3. Have students, in groups of four, attempt to reach a consensus on each item. Ask each group to report results. Compare these to the individual responses tallied previously.

**Further Activities**

1. Interview business leaders about their attitude toward government regulations.

2. Clip newspaper stories concerning business regulations. Discuss them in class.

---

Bob Kinsey

Handout #5

## ATTITUDE SURVEY

Circle the letter which is closest to your opinion on the following statements.

Agree, Disagree, Undecided

A D U Government regulations do more harm than good.

A D U It is good that the government requires advertisers to warn that cigarette smoking is hazardous to your health.

A D U It is good that the government allows sales only of those drugs that are certified safe and are properly labeled.

A D U Government workers are usually more lazy, dishonest, and incompetent than private business workers.

A D U It is good that the government inspects, certifies, and grades the quality of meats.

A D U Without government regulations the consumer would be at the mercy of big corporations.

A D U Buyers are not capable of making wise decisions about complicated modern products and need government help to protect them from unsafe products.

A D U The best consumer protection is an educated buyer. Let the schools train them. If a person has not wised up by graduation from high school, s/he deserve whatever s/he gets in the marketplace and should not be protected by the government.

A D U Government guarantees that only honest, fair people do business.

A D U You have a legal right not to be "ripped off" by a sharp salesman.

A D U Inflation is caused by government stupidity such as printing too much money.

A D U Inflation is caused by consumer stupidity and greedy buying habits.

A D U Inflation is caused by voters who do not vote to cut back government programs because that would cut back their life styles.

A D U It is important that government protect the right of business to make whatever contracts they choose to make with consumers.

## CANDYLAND: FISCAL AND MONETARY POLICY

**Introduction**

Discussions of government economic policy and comments about adding to or withdrawing from the total amount of money in circulation can lead to the confusing mental image of dollars being dumped on the floor of the bank while the teller surreptitiously slips extra bills to favored customers. However, if students understand how commercial lending banks create money, it can help them to understand the process and affect of the government's use of the fiscal and monetary reins on the money supply.

**Objectives**

Students will be able to:

- Experience how a tightened money supply affects prices and the consumer's willingness to purchase.
- Observe how a tax increase affects prices.
- Experience the effect of lowered interest rates.
- Understand the economic impact of an increase in the federal reserve requirement for banks.

**Grade Level**

7-12

**Time**

Two to three hours

**Materials**

Handout #6, "Producer Role Description"
Handout #7, "Producer's Record"
Handout #8, "Banker Role Description"
Handout #9, "Banker's Record"
Handout #10, "State of the Economy Chart"
Handout #11, "Candy Bar Coupons"
Handout #12, "Play Money," or use money from Monopoly
Handout #13, "Change Receipts"
Calculators

**Procedures**

1. Assign two students to record information on Handout #10. Divide the rest of the students into three groups as follows: two or three bankers; four or five candy producers; consumers and workers (remainder of the class, at least one-half of the students). Distribute their respective role descriptions and records (Handouts #6, #7, #8, and #9). Give Handout #12 to the bankers and Handout #13 to the producers to be used when not using exact dollar amounts. (The teacher will distribute Handout #11 to students.)

2. The teacher reads the following. **You are all citizens of the nation known as Candyland, a country whose only product is candy bars. That is convenient because candy bars are the only type of food Candylanders will eat. Each month, the Candylanders are paid and then they enter the marketplace to bid for the candy bars that will feed their families during the upcoming month.**

**There are other things you should know about the Candyland economy. First, there is a bank that will make loans, which must be repaid with the next month's salary. Second, the government has the power to intervene in the economy by setting tax and interest rates and by awarding production contracts.**

**You will play several rounds, or ten minute 'months' as a Candylander. As consumers, you are trying to get the best deal you can on that one candy bar coupon necessary for your family's survival. (Candylanders have very small appetites.) If you are shrewd, you may get two or three candy bar coupons; then your family could live comfortably.**

**If you are a candy coupon producer, you want your workers to be satisfied. So, you try to sell at a fair price. But, you also know that you must make a profit to expand production, increase supply, and lower costs.**

**Your final instruction is that I (the teacher) may stop the game at the end of any round.**

3. Begin the first round with the teacher paying each worker $5 and distributing enough candy bar coupons among the producers so each consumer can buy one. Inform the workers the bank will loan money at 25 percent interest and has $20 to loan. Instruct the producers to begin auctioning and keep a record of sales so they can figure the average price of the candy coupons. The selling period will last five minutes. Workers who do not get a candy bar coupon after two rounds are dead. (This should provide incentive to borrow money.) Have producers record the average selling price, the total supply, and the total amount of money available in the economy of spending.

4. Begin round two with the teacher paying each worker only $4. The supply for each producer is the same as for round one. Require repayment of all outstanding loans before the selling period commences. Teacher announces that the reason paychecks are smaller is the government increased taxes to finance research into new food sources. Have students conduct sales as before and record the same statistics.

5. Begin round three with the teacher paying workers $5. Announce that the government has cut interest rates on loans to 1 percent, meaning that workers can borrow $5 and only have to repay $5.05. Do not increase or decrease supply. Again, have students conduct the selling period and record the appropriate statistics.

6. Begin round four with the teacher paying workers $5. Announce that although the interest rate will stay at 1 percent, the

government has decided the bank must keep 50 percent of its assets on reserve. That means the bank may lend only $10 this round. All other conditions remain the same. Have students sell and record results.

7. Begin round five by returning to the loan and supply conditions of round one. Announce a government contract to buy candy bar coupons for foreign aid. Since more labor will be demanded, pay increases to $7.

8. Begin round six with the teacher announcing that the government contract from the last round has allowed suppliers to increase production; there is more demand for workers, so pay increases to $8 and supply increases one and one-half times. Distribute the additional pay and the supply. Have students sell and record. NOTE: The game may continue as long as seems necessary. The opposite condition to each round listed above may be shown, i.e., tax cuts as well as tax increases. Conditions may be combined, i.e., tax cut plus lower interest rate plus government spending.

**Debriefing**

1. What is the general effect of increasing money within the economy? Its affect on prices? On supply? On consumer willingness to spend? On the willingness to lend or borrow money? Ask producers what they would do as the selling price of their candy increases.

2. What ways can the government increase the amount of money in circulation? (At this point, supply the appropriate economic terms: reserve requirement, prime rate, deficit spending, etc.) How can these government activities be categorized?

a. Those having to do with banks:

| | |
|---|---|
| reserve requirement | Monetary Policy |
| prime rate | |

b. Those having to do with direct government income and spending:

| | |
|---|---|
| taxes | Fiscal Policy |
| spending and contracts | |

3. What ways can the government decrease the amount of money in circulation?

4. What is the general effect of decreasing money within the economy? Its affect on prices? On supply, etc.?

Kathy Ratte

## PRODUCER ROLE DESCRIPTION

As a producer, you have a very important function in the game, you make it work. You want to try to sell for a fair price to keep as many workers happy as possible while making a reasonable profit so you can expand production.

Your rules of operation are:

1. You must sell your entire supply; and

2. You must deduct $2.50/candy bar at the end of each round (this is your production cost).

Other duties:

1. You must keep an accurate record of the number of candy bars you sell at different prices in each round; and

2. You are to sell independently, but remember that you need to be aware of what other suppliers are doing in order to make a profit.

Your reward:

You will also want candy bars. After all, your family must eat too! You earn your candy bars by making the game work. If you do that effectively, and if you make a profit, you may turn in your profits at the end of the game and you will be given candy bars.

## PRODUCER'S RECORD

| Round # | Number of people Who Bought Candy at Each Price | Average Price / Total Sales | Profit (subtract Production Cost From Total) |
|---|---|---|---|
| 1 | | | |
| 2 | | | |
| 3 | | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |
| 7 | | | |

# BANKER - ROLE DESCRIPTION

Your important role as a banker means that you will not have time to bid on candy bars. Your job is to get people to borrow money and pay interest. If you do this successfully, you will be allowed to exchange your interest for candy bars at the end of the game.

Remember, in order for the game to run well, you must get people to borrow money. Here are some suggestions to help you:

1. Tell game players that you heard the supply will be reduced next round, so, they might want to buy several candy bars this round and save for the future.

2. Tell them that prices could increase next round so they should stock up at the low price.

3. Remind them that the game can end at any time.

Your other duty is to keep an accurate record of how much was borrowed and how much interest you earned each round.

## BANKER'S RECORD

| Round # | Name of Borrowers and Amount Borrowed | Total Loaned / Total Sales | Total Interest |
|---|---|---|---|
| 1 | | | |
| 2 | | | |
| 3 | | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |
| 7 | | | |

## STATE OF THE ECONOMY CHART

| Round # | Title | Average Price | Amount of Money in Circulation | Results, Comments etc. |
|---|---|---|---|---|
| 1 | Base Situation | | | |
| 2 | Increased Taxes | | | |
| 3 | Lower Interest Rate | | | |
| 4 | Increased Reserve Requirement (Less Money Available to Loan) | | | |
| 5 | Increased Gov't Spending (Higher Wages) | | | |
| 6 | Increased Government Spending (Higher Wages and Increased Supply) | | | |

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# CANDY BAR COUPONS

| | | | | | |
|---|---|---|---|---|---|
| CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR |
| CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR |
| CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR |
| CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR |
| CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR |
| CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR |
| CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR |
| CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR |
| CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR | CANDY BAR |

## PLAY MONEY

| | | |
|---|---|---|
| CANDYLAND<br>$1 | CANDYLAND<br>$1 | CANDYLAND<br>$1 |
| CANDYLAND<br>$1 | CANDYLAND<br>$1 | CANDYLAND<br>$1 |
| CANDYLAND<br>$1 | CANDYLAND<br>$1 | CANDYLAND<br>$1 |
| CANDYLAND<br>$1 | CANDYLAND<br>$1 | CANDYLAND<br>$1 |
| CANDYLAND<br>$1 | CANDYLAND<br>$1 | CANDYLAND<br>$1 |
| CANDYLAND<br>$1 | CANDYLAND<br>$1 | CANDYLAND<br>$1 |
| CANDYLAND<br>$1 | CANDYLAND<br>$1 | CANDYLAND<br>$1 |
| CANDYLAND<br>$1 | CANDYLAND<br>$1 | CANDYLAND<br>$1 |

## PLAY MONEY

| | | |
|---|---|---|
| CANDYLAND<br>$5 | CANDYLAND<br>$5 | CANDYLAND<br>$5 |
| CANDYLAND<br>$5 | CANDYLAND<br>$5 | CANDYLAND<br>$5 |
| CANDYLAND<br>$5 | CANDYLAND<br>$5 | CANDYLAND<br>$5 |
| CANDYLAND<br>$5 | CANDYLAND<br>$5 | CANDYLAND<br>$5 |
| CANDYLAND<br>$5 | CANDYLAND<br>$5 | CANDYLAND<br>$5 |
| CANDYLAND<br>$5 | CANDYLAND<br>$5 | CANDYLAND<br>$5 |
| CANDYLAND<br>$5 | CANDYLAND<br>$5 | CANDYLAND<br>$5 |
| CANDYLAND<br>$5 | CANDYLAND<br>$5 | CANDYLAND<br>$5 |

## CHANGE RECEIPTS

| | | |
|---|---|---|
| CHANGE<br>AMOUNT ____________<br>SIGNATURE __________ | CHANGE<br>AMOUNT ____________<br>SIGNATURE __________ | CHANGE<br>AMOUNT ____________<br>SIGNATURE __________ |
| CHANGE<br>AMOUNT ____________<br>SIGNATURE __________ | CHANGE<br>AMOUNT ____________<br>SIGNATURE __________ | CHANGE<br>AMOUNT ____________<br>SIGNATURE __________ |
| CHANGE<br>AMOUNT ____________<br>SIGNATURE __________ | CHANGE<br>AMOUNT ____________<br>SIGNATURE __________ | CHANGE<br>AMOUNT ____________<br>SIGNATURE __________ |
| CHANGE<br>AMOUNT ____________<br>SIGNATURE __________ | CHANGE<br>AMOUNT ____________<br>SIGNATURE __________ | CHANGE<br>AMOUNT ____________<br>SIGNATURE __________ |
| CHANGE<br>AMOUNT ____________<br>SIGNATURE __________ | CHANGE<br>AMOUNT ____________<br>SIGNATURE __________ | CHANGE<br>AMOUNT ____________<br>SIGNATURE __________ |

## ADVERTISING: GOOD FOR WHOM?

**Introduction**

This activity actually is a series of exercises that exposes consumers to the question of whether and to what degree advertising needs government regulation. Activities involve evaluation of advertisements, past and present, a questionnaire, a panel discussion, and policy writing.

**Objectives**

Students will be able to:

- Increase their awareness of change.
- Become more aware of the links that connect consumers, advertisers, and government.
- Increase their communication skills.

**Grade Level**

7-12

**Time**

Four to five hours

**Materials**

Handout #14, "Advertising Questionnaire"
Mounted advertisements from current magazines

**Procedures**

Day 1

1. Divide the class into groups of four to six students. Indicate that each group, following a few preliminary activities, will produce a position paper to guide the state legislature in regulating advertising. The paper will state the legislation necessary for regulation and the reasons for such laws. Students need not draft specific laws, although they may.

2. Distribute Handout #14 and have students complete.

3. Post mounted advertisements around the room. Number them for easy referral.

4. Have groups evaluate the advertisements by asking themselves the following questions:

- The ad appeals to what age group?
- What methods does the ad use to attract buyers?
- What information does the ad give about the product?
- How does the ad help the consumer to make a buying decision?
- How does the ad help the producer to sell his product?
- What values does the ad assume are held by potential buyers?

- Does the ad assume as being truthful anything that you think is untrue or that you would not want your children to believe is true?

- Is there any evidence of government regulation in the ad?

5. Announce that a panel discussion, "Advertising: Public Assistance or Public Harm?," will be held tomorrow. Select four students to be panel members and a fifth to act as moderator. Tell each group to prepare two questions to ask the panel. The student panel members and moderator cannot help form the questions.

Tell the panel members they are to represent one of the following people: a businessman, an ad agency employee, a clergyman, and an employee of a consumer protection agency Ask these students to make two lists--good things about advertising and bad things about advertising--from the perspective of the person they are representing. Tell them to call people in their community, talk to business teachers at school, or get help from their parents. Emphasize that the two lists will help them be prepared to answer questions during the panel discussion. Before they begin the discussion, look over their lists and help them, if necessary, to become prepared to represent the person they have been assigned to represent.

Day 2

6. Hold the panel discussion. Because of time constraints, panel members should take turns answering questions. Allow no more than two minutes for each reply. It is the moderator's job to indicate whose turn it is to ask a question and whose turn it is to answer. Tell students to take notes because they will write their position papers tomorrow.

Day 3

7. Have the class break up into the same groups as on day one to write their position papers concerning whether and how advertising should be regulated.

Day 4

8. Ask one representative from each group to read aloud and explain the group's position paper. Class discussion should focus on the possible consequences of laws made according to the proposed policies.

**Further Activities**

1. Have students investigate how advertisements have changed over various periods in the history of their country and then write papers discussing their findings, as well as discussing what this reveals about our society.

2. Have students debate the possibility that regulation of advertising is the regulation of free speech.

3. Using videotape and cassette recorder equipment, have students collect examples of advertising that they consider to be socially responsible or harmful. Then, discuss the relative power of the print and electronic media.

4. Compare the use of advertising in your country to the use of propaganda in Nazi Germany. There are several books available in high school libraries. A debate could be held on the topic, "Even though there is no intention on the part of advertisers, the cumulative effect of their efforts is to mold the mind of society, and therefore, advertising needs to be controlled by government."

5. Have student groups videotape--or perform in class--their own advertisements. Invite a local advertising person to class to comment on the creativity and legality of the ads.

6. Have students present their policies to another social studies, business, or language arts class. Hold elections to determine the winning policy.

# ADVERTISING QUESTIONNAIRE

(Compiled from questions and responses in Teenage Consumers, a profile, by the National Assessment of Educational Progress.)

T (True) F (False) DK (Don't Know)

---

1. Advertising may help increase sales and lower prices for a new product.

T F DK

2. Consumers have to pay for advertising in product prices.

T F DK

3. Only high quality products are advertised.

T F DK

4. Companies that advertise more always produce better products.

T F DK

5. Advertising information is sometimes misleading.

T F DK

6. Advertising often tries to imply major differences where there are only minor differences.

T F DK

7. Advertising is sometimes used to increase loyalty to a brand of product.

T F DK

8. It is difficult for a new business to compete in an industry where large amounts of money are spent on advertising.

T F DK

9. Advertising can give people useful information.

T F DK

10. For some products, production costs are less than advertising costs.

T F DK

11. Store brands are generally cheaper than nationally advertised brands.

T F DK

12. Store brands are generally poorer quality than national brands.

T F DK

13. Store brands are generally advertised less often than national brands.

T F DK

14. Store brands are sometimes made by national manufacturers under the store's private label.

T F DK

15. The price tag on a major appliance must indicate cost of delivery and installation.

T F DK

16. In selecting a vocational school you should choose the school that makes the most promises about employment opportunities.

T F DK

17. It is legal to advertise an item for $4.99 when the final cost is $5.05 including tax.

T F DK

18. It is legal to advertise a $4,000 car at $90 per month without including credit terms.

T F DK

19. Product complexity and variety make it difficult for consumers to evaluate quality.

T F DK

## NATIONAL RESPONSE

National responses of 11th grade students and correct (+) answers.

| | T | F | DK | | T | F | DK |
|---|---|---|---|---|---|---|---|
| 1. | 74.6+ | 22.5 | 2.9 | 10. | 64.4+ | 17.7 | 17.6 |
| 2. | 71.6 | 17.2 | 11.0 | 11. | 82.6+ | 12.8 | 3.9 |
| 3. | 9.3 | 87.7+ | 2.4 | 12. | 31.4 | 59.8+ | 8.3 |
| 4. | 19.4 | 75.8+ | 4.6 | 13. | 78.6+ | 15.1 | 4.7 |
| 5. | 90.3 | 6.9 | 2.6 | 14. | 61.3+ | 19.0 | 18.5 |
| 6. | 84.8+ | 9.0 | 5.6 | 15. | 17.7 | 74.7+ | 7.3 |
| 7. | 82.1+ | 10.0 | 7.3 | 16. | 40.8 | 52.3+ | 6.5 |
| 8. | 69.4+ | 20.2 | 10.1 | 17. | 79.8+ | 16.9 | 3.1 |
| 9. | 85.1+ | 11.5 | 3.0 | 18. | 43.0 | 41.1+ | 15.4 |
| | | | | 19. | 68.6+ | 21.4 | 9.9 |

## FOOD MYTHS

**Introduction**

A number of myths regarding the world's food supply are currently held by large numbers of people. This activity will allow students to develop educational skits which seek to correct these myths.

**Objectives**

Students will be able to:

- Challenge myths regarding world food.
- Exercise their own creativity by creating and presenting skits regarding these food myths.

**Grade Level**

8-12

**Time**

Six to eight hours

**Materials**

Handout #15, "Food Myths"

**Procedures**

1. Distribute Handout #15, "Food Myths," and discuss each of the myths with the class.

2. Divide the students into groups of four or five and tell them that their job is to create a ten to fifteen minute skit based on some of these food myths. Tell them that their job is to create, rehearse, and present their skits to groups of younger students. The skit is to be entertaining as well as educational and should explode some of the food myths outlined on the handout.

3. Present the skits to the whole class first, and then send the students to other classes to make their presentations.

# FOOD MYTHS

I. "There's Simply Not Enough Food"
"The world today produces enough grain alone to provide every human being on the planet with 3,600 calories a day. That's enough to make most people fat . . . *Abundance, not scarcity, best describes the supply of food in the world today. . . .*" (9) Hunger, even in Africa, Asia, and Latin America, where the majority of hungry people live, could be greatly reduced with the restructuring of the world's food stores. The World Bank's statistics support data that where hunger is rampant, those countries exports are greater than their imports in agricultural goods. Would anyone argue that not enough food is produced in the United States? Yet, many Americans cannot afford to buy nutritious food, and U. S. children suffer from malnutrition. That is not to say there is not some truth in the pessimistic predictions of the debate over the earth's finite ability to produce. Frances Moore Lappe and Joseph Collins state ". . . we can learn to see that hunger is real; scarcity is not." (14) (Lappe and Collins, 9-14)

II. "Too Many Mouths to Feed"
Does overpopulation lead to hunger? Lappe and Collins say no. Their premise is that for one factor, population density, to cause another, hunger, they must consistently occur simultaneously. There is no such correlation in the real world. Countries like Bangladesh do have dense population and hunger. Yet countries like Brazil or Senegal, which have significant per capita food resources, also have hunger. And the Netherlands has become a large exporter of food while eliminating domestic hunger utilizing a small percentage of land per person. There is no doubt that in areas with rapid population growth there is a large percentage of hungry people. Lappe and Collins maintain that this occurs because of similar social realities of a rational on the part of poor parents for survival; children provide labor pools, status, hope that one will be the shining star, and old age security. Since many children die before reaching adulthood, the thought is that there is hope and security only in numbers. Plus, the powerlessness of women in the world hierarchy is manifest in the lack of control over their ability to decrease the number of mouths to feed in the household. (Lappe and Collins, 23-32)

III. "Will More Foreign Aid Help End Hunger?"
If only the haves would just share more with the have-nots, hunger would be eliminated. Is foreign aid the key to ending hunger? Statistics show decades of foreign assistance have not reduced poverty in the poorer nations, according to Sonja Williams in Exploding the Hunger Myths. In the twenty years from 1960 until 1980, Bangladesh received foreign aid as the third ranked country in the world, yet infant mortality rates dropped only marginally, from 160 per thousand live births to 130. During the same time period China's infant mortality rates fell from 170 per thousand to 41 while receiving one-twentieth of the aid as Bangladesh, per person. Other factors besides foreign aid contribute to the ability of a country to see positive affects; such as governmental concern, distribution systems, and economic development. (110-111) Debate over the effectiveness of giving aid, especially food aid which can in and of itself contribute to the cause of hunger, continues. Dependency on imports can develop into shifts away from locally grown food. Governments have no incentive to change unequal land control if food is readily available to many of its people. U. S. foreign aid policy, as well as that of most other countries, is dictated by governmental concern with national interest, even if it is counterproductive to human rights issues for the majority in the country receiving aid. A small number of

nongovernmental organizations give aid with no ties to political affiliations or religious beliefs and aim to empower the poor over just offering charity. (113) (Williams, 110-113)

IV. "Is Technology the Answer?"
The Green Revolution of the 1950s and 1960s was hailed as the answer to world hunger. New wonder crops, agricultural breakthroughs, pesticides, fertilizers, growth regulators, and increased technology developed in the industrialized world and then exported to hungry countries are what is needed. Major questions arise: Does new technology require more water? Who most benefits, wealthy landowners or poor farmers? What is grown most, food or luxury foods or exports? Are new fertilizers, pesticides, and water increases expensive? What is the effect on rural decline and urban growth, with increased unemployment? Food production can go up along with the number of hungry people. Poor people have to compete with even small-scale technologies, if the raw materials are coveted by both. The control of the technology and its expense to the average or low income producer is very crucial to offset the cost of the potential benefit. (Williams, 68-71)

V. "People Wouldn't be Hungry if They Weren't So Lazy or Passive"
Cindi Steele, in the *Hunger Primer*, maintains poor health and a lack of energy are results of hunger which is interpreted as laziness. (Steele, 15) Lappe and Collins maintain, "If the poor were truly passive, few of them could even survive." (95) A question to be answered is can those who are degraded and kept under the heals of society ever learn to realize that they are capable and worthwhile. Commonplace media images fill our heads with visions of weak and hungry poor people with not enough energy and initiative to work towards a solution to their own problems. They will never reach their potential for creative action and positive change. People around the globe have disproved this myth. People in countries like Mexico, where peasants seized barren land and within a few years succeeded in producing bumper crops for profit and organizing support systems which made dependence upon an unresponsive government unnecessary. In Nicaragua and Honduras peasants organized to overthrow dictatorship regimes which contributed to the repression of the poor farmers and landless. In India poor illiterate women have organized to gain the ability to apply for loans for small businesses. Women in Bangladesh pooled their resources to rent land to grow crops and made profits enough to expand in response to efforts to generate a fund which could be used to purchase emergency medical supplies. Many times these people work 12 to 14 hours in the fields just to try to earn a living and then still have the energy to meet at night for underground meetings and to fight for their rights. Often it is religion. But more so it is the desire to provide a better world for their children and a better future. (Lappe and Collins, 95-100) Where do the sources of revelation and inspiration which people who are continually downtrodden and subjected to so many limitations come from?

Lappe, Frances Moore and Joseph Collins. *World Hunger: Twelve Myths*. New York: Grove Press, Inc. 1986.

Steele, Cindi. *The Hunger Primer*. Scottsdale, Arizona: Food for the Hungry. 1983.

Williams, Sonja. *Exploding the Hunger Myths: A High School Curriculum*. San Francisco: Institute for Food and Development Policy. 1987.

## WHAT IS SUSTAINABLE DEVELOPMENT?

**Introduction**

The most critical question facing humanity today is whether humanity will develop systems and habits which support sustainable development before creating global shortages that lead to mass disaster. This activity introduces students to the various aspects of the concept of sustainable development.

**Objectives**

Students will be able to:

- Become familiar with the concept of sustainable development.
- Compare their own existing society with an ideal society, based on the concept of sustainable development.
- Draw comparisons between the needs of less wealthy and more wealthy societies with respect to their progress toward the ideal of a sustainable society.

**Grade Level**

8-12

**Time**

Six hours

**Materials**

Handout #16, "Aspects of Sustainable Development"
Newsprint and markers

**Procedures**

1. Introduce the concept of sustainable development. Ask students to give you their definitions of both "sustainable" and "development." List their responses on newsprint.

2. Distribute Handout #16, "Aspects of Sustainable Development," and ask the students to consider each of the items on the handout in terms of what individuals would be able to expect in each category if they lived in a society based on sustainable development. Go over each of the items and discuss their ideas regarding what a society devoted to sustain ability would be able to provide to each of its citizens in the way of food, health, etc.

3. Pair the students, give them newsprint and markers, and ask them to list their assessment of how well their society is doing in providing each of the aspects of a sustainable society. Also ask each pair to list the solutions that would be needed to correct any of their perceived deficiencies regarding any of the categories.

4. Post the completed lists, look for commonalities during a class discussion.

5. Assign each pair of students a country to research, using a wide variety of nations. Explain to the students that they are to develop a plan for their nation to reach a state of sustainable development. They are to put their plans on paper. Allow library research time.

6. Have each group present their plan to the rest of the class. Encourage them to look at differences between their own native country and the nations that have been researched. Emphasize that no nation in the world has yet even come close to having sustainable development.

## ASPECTS OF SUSTAINABLE DEVELOPMENT

Sustainable development means being able to satisfy the needs of individuals and to improve the quality of life in society as a whole in such a manner that the means of development (the earth) is not damaged in such a way that it would prevent people in the future from enjoying the same lifestyle as the people in the present.

Satisfying individual needs can be seen in the following aspects:

- Food
- Shelter
- Health
- Clothing
- Love
- Learning
- Work
- Justice
- Freedom
- Rights

Improving the quality of life in society as a whole can be seen in these aspects:

- Cultural Development
- Economic Development
- Social Development
- Peace
- Equality
- Environmental Stability
- Democracy

## INFLATION AT McDONALD'S

**Introduction**

The McDonald's "change back on a dollar" ads, which appeared during the 1960s, provide a graphic example of inflation, showing the increasing cost of a standard product over a short period of time. In this activity, students consider inflation's affect on an industry with which they are familiar, fast food drive-ins.

**Objectives**

Student will be able to:

- Better understand a world in change.
- View the interdependency of the marketplace and the world.
- Acquire the skills for making meaningful comparisons of data on a local and global level.

**Grade Level**

7-12

**Time**

Two class periods

**Materials**

Handout #17, "Inflation at McDonald's"
Handout #18, "Inflation Graph Worksheet"

**Procedure**

1. Introduce students to the idea of price increases caused by inflation. You might begin by discussing salaries and asking students what they can afford to buy.

2. Using Handout #17, introduce the McDonald's situation. Explain that McDonald's offers a good example for study because its products have remained standard since the company opened. (Although new products have been added to the menu, the original hamburger, fries, and coke are still the same size.)

3. Using Handout #17, calculate average inflation rates from the 25 cent ad to the 50 cent ad. (These will, of course, only be approximations.)

4. If possible plan a lunch or after school excursion to McDonald's. Have students buy a standard meal and record the price. If unable to go to McDonald's use the telephone, or the teacher will need to provide the current information.

5. Calculate average inflation rates for the time period from the 50 cent ads to the present. (Again, these will be approximations; the more so because McDonald's regulations allow individual restaurants to vary prices.)

6. Give each student a copy of Handout #18. Divide the class into groups of four. Each group should discuss the chart and draw five conclusions regarding rates of inflation.

7. Hold a class discussion.

- What does inflation mean?

- What has happened to the dollar?
- Why do inflation rates vary from year to year?
- How does inflation affect standard of living? (Check to make sure students have a working knowledge of what "standard of living" means. A basic definition would be how much you earn versus how much it costs you to live over a given period of time.)

**Further Activities**

1. Have students research to update Handout #18 and see if and where there are major changes.

2. Have the students cut out play paper dollars of relative sizes, to show the real dollar's shrinking purchasing power.

3. Ask students to research (Department of Labor statistics) the minimum wage rates for restaurant help such as McDonald's. Figure average yearly percent pay increase, compare these to the price statistics worked out earlier.

- Has the wage rate increase kept up with price inflation?
- What has happened to the buying power of the wage earner in this example?
- (More advanced students will be able to figure out the actual percent reduction in buying power over the time period.)

## INFLATION AT McDONALD'S

In 1955, McDonald's first opened a series of billboards and television ads that announced you could get a meal for a quarter. Included for this price was: regular hamburger, regular size fries, and small coke.

In 1968, the ad changed to "All This and Change Back on 50 Cents." Still included were the regular hamburger, fries, and small coke. Furthermore, the three items were still the same size as they were in 1955.

Because McDonald's products are a standard size and weight, we can use the ads and prices to calculate the inflation rate for these products over this time period.

1. 1968 (maximum price = 50 cents)
   1955 (maximum price = 25 cents)

Difference in years ______________________ Difference in price ______________________

The price of a McDonald's meal thus increased __________ cents in __________ years.

2. In order to talk about inflation, we need to know the percentage changes:

25 cent (increase) = __________ percent of 25 cents

3. Now find the average percent increase/year.

__________ percent increase divided by ________ years = _________ percent/year

4. How much would you have to pay for a standard meal, regular hamburger, regular fries, and small coke, today? (include tax) ____________

5. Calculate the average percent increase/year since the 50 cent ads.

Total price increase = _________

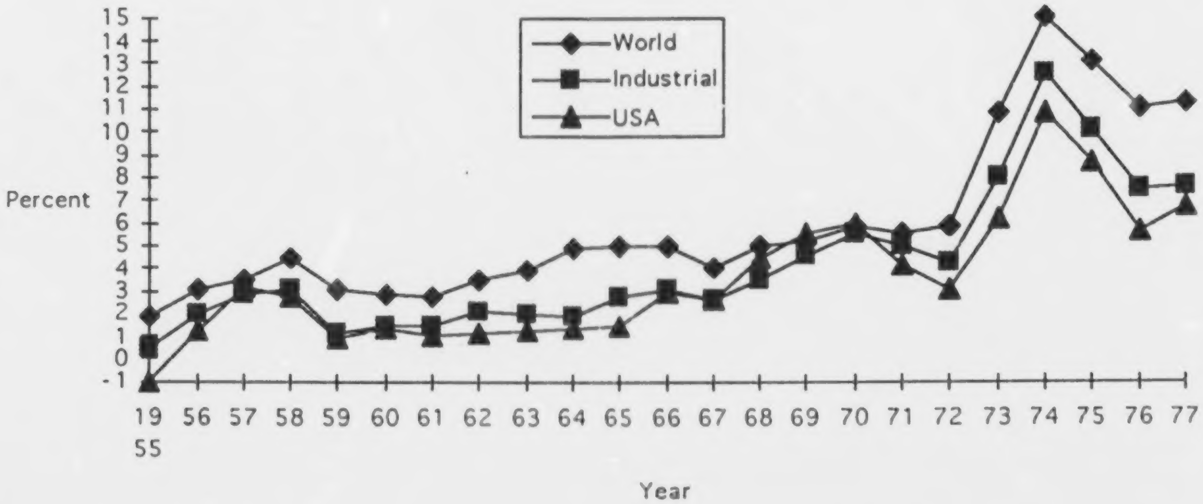
Percent price increase = _________

Number of years = ___________

Average percent increase/year = __________

# INFLATION GRAPH WORKSHEETS

Rates of Inflation, 1955-1977
(Percent changes in consumer prices)



Source: International Monetary Fund

Hypotheses or Conclusions

1. ______________________________

2. ______________________________

3. ______________________________

4. ______________________________

5. ______________________________

## WHERE DO THEY COME FROM?

**Introduction**

People are so busy consuming that they seldom stop to reflect on the quantity of "things" they consume, where they come from, and whether they will be replaced in the future. This activity is designed to help students look at their own consumer behavior and its global ramifications, and to consider the question of resource depletion to which consumption inevitably leads.

**Objectives**

Students will be able to:

- Understand the necessity of renewing items that are consumed.
- Perceive the difficulties involved in maintaining present levels of consumption as well as in maintaining the systems that provide items used.

**Grade Level**

6-12

**Time**

Three to four hours

**Materials**

Newsprint
Magic markers

**Procedures**

1. Pair the students. Ask them to make a list of all the items that they have consumed in the last twenty-four hours. Be sure they list the not so obvious things such as coke cups, hamburger wrappers, electricity, television sets, etc.

2. Once the lists are fairly complete (probably after ten to fifteen minutes), ask the students to combine with another pair of students and determine twenty-five items both lists have in common. (Vary the number of items to equal the number of students in the class.)

3. From all the lists, make up a master list of the twenty-five most commonly consumed items. Then assign one item to each student and ask him/her to list all the ingredients or components that went into making the item. As the student lists the ingredients, s/he should try to determine the country of origin for each ingredient. You may want to make this a homework or a library assignment.

4. Distribute newsprinf. Have students write the names of their items at the top of their paper. List all the ingredients in each item, country of its origin, and the systems that were involved in bringing the item from its place of origin to the place where it was consumed. The newsprint format should look something like this:

| HAMBURGER | | |
|---|---|---|
| Meat | U.S.A. or Argentina | ranching operation, process slaughterhouse, inspection, transportation, packaging, retail operation |
| Tomato | Mexico | farming operation, transportation, customs inspection, retail operation |
| Wrapper | U.S.A. | forestry management, pulp mill, timbering operation, transportation, retail operation |

5. When all the charts are complete, discuss the concepts of renewable and nonrenewable resources with the students, and then ask them to place an "R" or an "N" before each ingredient on their list. Discuss with the students the idea that when anything is consumed, it must be replaced, and that the replacement process is getting more and more difficult for some of the ingredients on their lists.

6. The next day discuss the systems listed on the students' charts in terms of those that are easily altered by fluctuating world conditions. For example, most transportation systems are going to be altered by dramatic increases in petroleum prices. Then ask the students to circle those systems that probably will not be influenced by world-wide events. Stress that they will be asked to justify to the class their reasons for categorizing the systems into dependable and not-so-dependable categories.

7. Discuss the ramifications of living in a society that depends on consuming great quantities of items (many of them from other countries) that are produced and transported by systems that often are undependable. Alternatives to such a state of events might be a productive discussion topic.

## IZOD SHIRTS AND NIKES

**Introduction**

Whether or not one admits it, most people in society are aware of what status is and what are its symbols. This activity helps students examine their status-related consumer behavior.

**Objectives**

Students will be able to:

- Understand what status is and what its symbols are in different times and countries.
- Examine one's own status symbols.

**Grade Level**

4-12

**Time**

Two days

**Materials**

Old magazines for cutting
Glue
Construction paper
Crayons
Marking pens

**Procedures**

Day 1

1. Break into small groups and have each group skim magazines for ads that appeal to improving the reader's image.

2. Have each group combine its ads to make collages. Display the collages.

Day 2

3. Bring in selected "status symbols" from the past: patched blue jeans, love beads, a picture of a sports car, an alligator purse, and such. Give each group one article and tell them to suggest possible explanations for why their object was a status symbol.

4. Hold a group discussion and ask the following questions:

- What are the current status symbols in our society?

- What status symbols do you see exhibited by your peers at school?

5. Give each group a *National Geographic* (or suitable alternative) picture of people from a different culture.

- What might their status symbols be? Why?

- Do your status symbols resemble theirs?

- Is it likely that global status symbols may emerge, or have they already?

6. Debrief the students using the following questions.

- What elements contribute to making something a status symbol?
- Are these elements universal?
- Is it necessary that we have status symbols?
- How can a search for status affect the future of the planet? Does status help humans develop a sustainable society?

**Further Activities**

1. Have each student interview someone in the community from a different ethnic or cultural background and identify his/her status symbols.

2. Look at T-shirts as a microcosm of status symbols. Have each student bring his/her favorite T-shirt to class. Examine the motifs.

Claudia Czajkowski

# 2015 - WHAT WILL MADISON AVENUE AND THE AUTOMAKERS HAVE FOR YOU?

**Introduction**

By comparing Buick ads from 1939 to those of today and by creating an ad for the "automobile of 2015," students are challenged to consider a variety of consumer-related issues. These include technological innovation, advertising techniques, and consumer values.

**Objectives**

Students will be able to:

- Consider the technology, appeal of, and personal values attached to past and present automobiles.
- Hypothesize about what forms the technology, appeal, and personal values attached to the automobile will take in the future.
- Focus on changes in patterns of consumption.

**Grade Level**

8-12

**Time**

One or two class periods

**Materials**

Handout #19, "Buick LeSabre"
Handout #20, "It's the Liveliest of All Low-Priced Cars"
Magazines or car ads

**Procedures**

1. Divide the class into groups of three to five people.

2. Distribute Handout #20, one copy to each group. Tell students to analyze the old ad for appeal, consumer values of the past, and functional technology.

3. Distribute the new ad, Handout #19, and have them compare that information to what they found in the old car ad.

- What similarities do they see in the two ads?

- What differences?

- How can you explain these similarities and differences?

4. Using information gathered in the first two steps, have each group draw an ad for a car of the future (2015). Tell them to display the technology they think will be available, consider what the scarcity of resources will be, and appeal to the values they think people will associate with buying a car in the future.

5. Post the ads drawn and ask a spokesperson from each group to explain the reasoning behind their ad. How did each group address the issues of energy, style, horsepower, and environmental concerns?

**Further Activities**

1. Supply the class with an ad for a car from another country. Are there any differences in appeal between those and U.S. cars? Conduct a survey in class to determine who would buy either a car made in your country or in another country. What are the implications for automakers and for the industry in general?

2. Have students go to the library and find Toyota, Datsun, or Volkswagen ads in magazines dating from 1951-1971. Have them compare the content and number of ads they find to ads they find in present-day magazines. For consistency, have students use the same magazine for comparisons. For example, have them compare the ads from a 1995 *Time* to those from a 1990 *Time* and a 1971 *Time*.

## BUICK LeSABRE

# *Prevention* magazine chose LeSabre for its "Safe Car Achievement Award." America chose it as their favorite full-size family car.*

It's no surprise that the full-size car *Prevention* magazine honored for its safety is the most popular full-size car in America. Dual air bags, anti-lock brakes, and steel side door beams make LeSabre a safe bet for your family, too.

Call 1-800-4A-BUICK.

**BUICK**
The New Symbol For Quality In America.

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Buckle up, America!

*Based on 1992 through 1994 model year sales.

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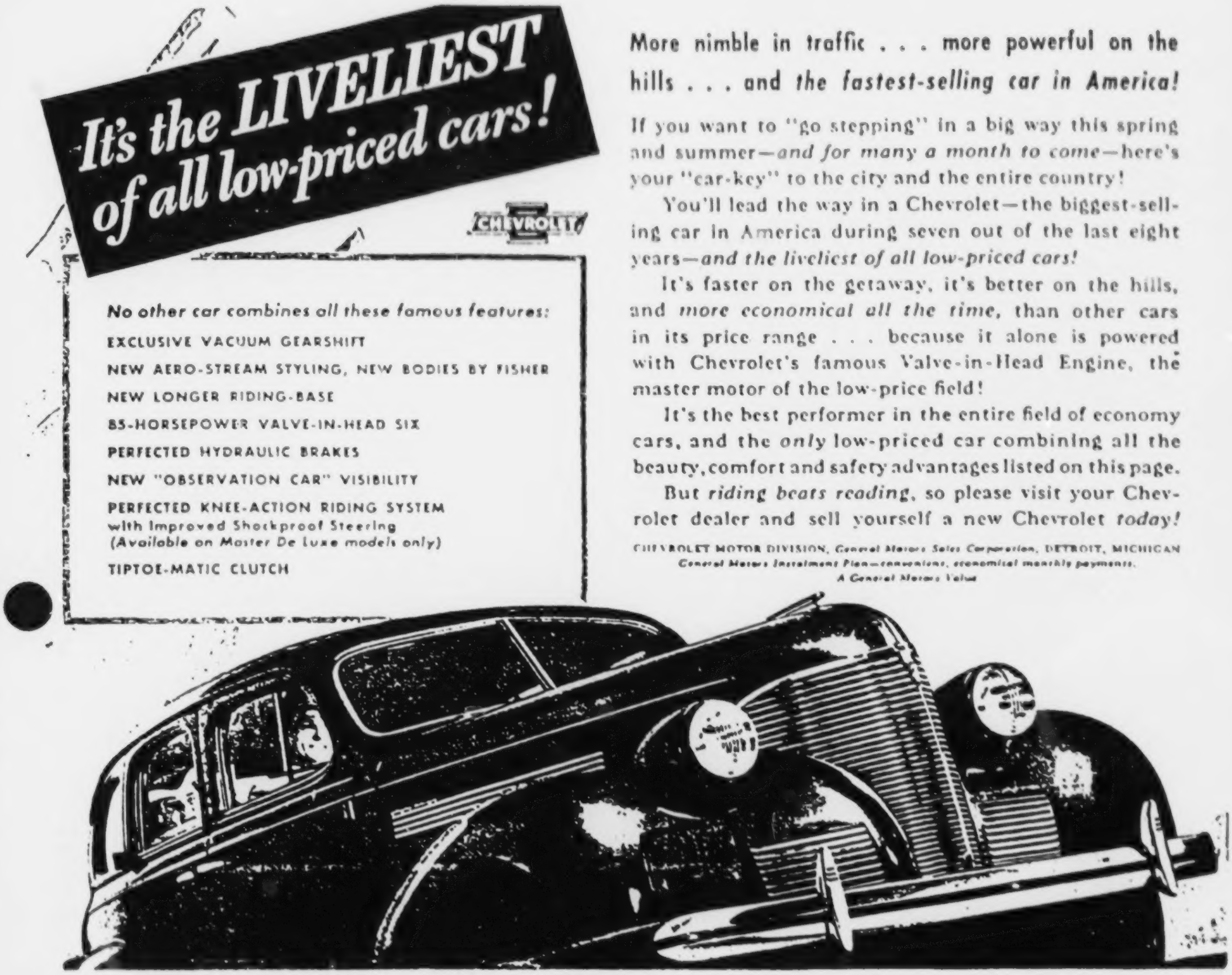
Handout #20

## IT'S THE LIVELIEST OF ALL LOW-PRICED CARS



*It's the LIVELIEST of all low-priced cars!*

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# NORTH AMERICAN FREE TRADE

**Introduction**

Even though the North American Free Trade Agreement has been enacted, most people are still not certain about what effects this far-reaching agreement might have on their lives. This activity will enable students to gain a better grasp of the issues regarding this agreement.

**Objectives**

Students will be able to:

- Determine who might be the winners and who might be the losers as a result of NAFTA.
- Critically think about and debate some of the major current economic issues facing North America.

**Grade Level**

8-12

**Time**

Four to five hours

**Materials**

Handout #21, "Three Views of NAFTA"
Newsprint and markers

**Procedures**

1. Ask the class what they know about NAFTA. List their responses on a piece of newsprint. Poll the students about whether or not they think NAFTA is good for U.S. citizens, for Canadian citizens, and for Mexican citizens. List the results of the poll on newsprint.

2. Divide the class into an even number of small groups of three. Make sure that there is an even number of groups. Distribute Handout #21, "Three Views of NAFTA." Tell half of the groups that they will need to gather information from the handout to support NAFTA in a debate, and tell the other half of the groups they will need to gather information to use in a debate arguing against the trade agreement. Allow the students the rest of the hour to prepare material for the debates.

3. Pair up the groups (one pro and one con) around the room and explain that the debate will follow this format.

a. Pro side gets 10 minutes to outline their arguments.
b. Con side gets 10 minutes to outline their arguments.
c. Both sides get 10 minutes to prepare their rebuttals.
d. Pro side gets 10 minutes to rebut the con arguments.
e. Con side gets 10 minutes to rebut the pro arguments.

Proceed with the debate.

4. Now ask for one pro team and one con team to volunteer to debate the issue in front of the entire class. Ask the other groups to list any mistakes or any arguments their side failed to make during the debate. Follow the same format as above for the debate in front of the entire class. When the debate is finished, ask the other groups to

report on any points they felt should have been made by either side but were not.

5. Take the students to the Reader's Guide to Periodicals section of the library and tell them they will receive one point for each piece of information they can find from periodicals that supports their side in the debate. Give them two days to gather information. Then have them list each piece of information and its source on newsprint.

6. Review with the entire class all the information that has been gathered to support both sides. Then post the list of things the students knew before the lesson began on the wall next to the information lists. Now poll the students again, as was done at the beginning of the class, as to whether they feel the trade agreement is good for U.S. citizens and Mexican citizens. Compare the results.

**Further Activities**

The students could do a poll of parents and other community members as to their positions on NAFTA and the reasons they have for supporting or disagreeing with the trade agreement. List these reasons on newsprint and compare them with the lists the students generated. Who is better informed on NAFTA?

# THREE VIEWS OF NAFTA

## Borderline Issues

by Carl Pope

As it crosses into California from Mexico, the New River carries such a heavy load of toxic chemicals and sewage that it has earned the title of North America's most polluted waterway. Its poisons, which come primarily from U.S. industries that have set up shop across the border to avoid tough domestic pollution-control standards, come to rest in Southern California's Imperial Valley.

NAFTA created a trading zone that currently includes the United States, Mexico, and Canada. Within this area goods can be manufactured and sold freely, as they are among states without tariffs, quotas, or restrictions of any kind. Free-trade advocates contend that such agreements are needed to accelerate advanced technologies, eliminate obstacles to economic growth, and increase geographic and financial opportunities for businesses.

But rapid economic expansion can also speed up environmental destruction. We must ask not only how fast a given trade policy will move us, but where it will take us. The free-trade agreement could grant polluters license to run roughshod over the continent; but properly thought out, such a policy could drive not only economic growth, but environmental protection.

To ensure a healthy planet as well as a thriving economy, international trade agreements must first preserve the right of all governments--national, state, and local--to set health and environmental standards for products sold to their people. Harmonization--the idea that governments must set uniform (i.e., permissive) international standards to facilitate the flow of goods--reduces environmental protection to the lowest common denominator. Harmonization rules in the European Economic Community, for example, have been used to block proposed auto-emission standards in the Netherlands that were to have been more stringent than those in the rest of Europe.

Second, government efforts to protect the environment need to be exempt from challenges under trade rules. Programs designed to protect biological diversity, the ecological commons, and important natural areas have been attacked as "nontariff barriers" to free trade. Mexico has challenged U.S. standards that protect dolphins from being slaughtered by tuna fishing, for example, and the U.S. has successfully undercut Canadian programs to reduce smelter emissions.

Third, corporations based in this country should not be allowed to violate domestic environmental standards if they choose to operate in Canada or Mexico. Under international law, a nation may prohibit its own citizens and corporations from unethical behavior in other countries. American firms, for example, may not engage in practices overseas that would constitute bribery in the United States, and violators can be tried by U.S. courts. The Sierra Club has proposed that Congress adopt legislation that would require building new facilities in Canada or Mexico to meet applicable U.S. pollution and worker-safety standards. In addition, environmentalists urge that these regulations be enforced in U.S. courts, whether or not the facility in question is located in the United States, Canada, or Mexico. If these policies were in place, companies would have no incentive to site a plant in any particular country because of weaker environmental standards or less-stringent enforcement. Conversely, without these policies, manufacturers would be encouraged to shift polluting industries to Mexico instead of cleaning them up at home.

Conflict between trade policy and the environment is not inevitable. Solar energy, low-input agriculture, mass transit, energy efficiency, and pollution prevention are all elements of the international economy that well-considered trade agreements could encourage. Into a debate polarized by "free trade" and "fair trade" factions, we need to inject a new element: eco-trade.

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# EXPLOITING BOTH SIDES: U.S.-MEXICO FREE TRADE

U.S. trade with Mexico has grown rapidly during the past decade. Mexico is now the largest U.S. trading partner after Canada and Japan. The United States had a $2 billion trade deficit with Mexico in 1990.

Imports from Mexico have increased 59 percent since 1985, reaching $30.2 billion in 1990. A major stimulus has been the massive devaluation of the Mexican peso and the coincident growth of the "in bond" or maquiladora program. This program effectively suspends Mexican import duties on U.S. production-related machinery as well as components that are incorporated into exports and U.S. duties on the U.S. content of products imported from these plants. Located largely in the border area, the maquiladora program has mushroomed in the past 20 years: growing from 120 plants to 1,800 and from about 19,000 workers to 500,000 today.

The significance of this activity is reflected in the growth of imports under Harmonized Tariff System Item 9802, which eliminates U.S. tariffs on the U.S. content of the imported products. The value of this trade has doubled since 1985 and the maquiladoras now account for 45 percent of all U.S. imports from Mexico.

The AFL-CIO believes that this type of program will make U.S. trade problems larger and do little, if anything, to improve the lives of the vast majority of Mexican citizens.

The problems faced by Mexican workers are clearly demonstrated by the decline in the Mexican minimum wage, currently 59 cents an hour. The devaluation of the peso has made Mexican wages, in U.S. dollar terms, among the lowest in the world. Worse, for most Mexican workers, this pay level is not only the wage floor, but also the wage ceiling.

This is not to say that no one benefits from this program. Certainly, the profits of U.S. companies are increased, and a narrow group of managerial and political elites in Mexico are advantaged. U.S. financial interests also have a major stake in expanded Mexican export earnings, which can be used to pay interest on Mexico's crushing debt burden. Today, 40 percent of Mexico's export earnings must be used to service its $95 billion debt.

The advantage for U.S. corporate profits, U.S. banks, and for similar Mexican elites is clear. But any benefit to U.S. workers who lose their production jobs, or to Mexican workers paid subsistence wages, is difficult to discern.

## Employment Impact on U.S. Workers

The debate on the domestic employment effect of current U.S.-Mexico trade relations--plus the likely employment impact of a free trade agreement--has been clouded by supposedly sophisticated economic studies and models that downplay negative employment effects. This type of analysis merely serves to camouflage the obvious.

The one thing we do know is that some 500,000 Mexican workers produce goods destined almost solely for the U.S. market. If our market was being serviced by domestic production, even taking productivity differences into account, U.S. employment would clearly be hundreds of thousands higher.

Tens of thousands of workers across America in companies like ELECTROLUX, Typo, Zenith, Westinghouse, Farah, GE, AT&T, GM, Ford, Chrysler--to name only a few--have seen their jobs disappear to Mexico. They, better than any model or projection, can describe the employment impact of this type of trading relationship.

Why should firms invest in the United States if they can move a hundred yards across the Rio Grande River and dramatically reduce their labor costs? Common sense--even without the proven example of the maquiladoras--shows us that a free trade agreement with a country where wages are less than one-tenth of ours has hurt U.S. employment, income and productivity.

**No Help for U.S. Exports**

Administration officials frequently cite the huge Mexican market of 85 million consumers who presumably are clamoring to buy U.S.-made goods and thereby boost U.S. exports and improve the U.S. trade position.

Unfortunately, the reality is somewhat different.

In Mexico, only about 10 million people are able to buy much of anything at all. The extreme poverty of the other 75 million means they are merely trying to survive and provide themselves and their families with food and shelter.

Secondly, the free trade agreement encourages growth along the lines of the maquiladora program. In this economic structure there are no real exports. By definition, the U.S. content is returned.

Indeed, it is estimated that 40 percent of U.S. exports to Mexico are brought back to the United States as finished products. This is not trade; this is U.S. rental of low-wage Mexican labor.

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American Federation of Labor and Congress of Industrial Organizations, February 1991. Reprinted by Trade and Development Program, 802 Rhode Island Avenue, N.E., Washington, DC 202-269-0200

# NORTH AMERICAN FREE TRADE AGREEMENT: GENERATING JOBS FOR AMERICANS

**Why Did the United States Seek To Create a North American Free Trade Area?**

The United States shares a 4,000-mile border with Canada and 2,000-mile border with Mexico. Removal of trade distorting barriers under a free trade agreement has made North American free trade easier and more profitable, allowing the United States to take full advantage of continental business opportunities.

Under the five year old U.S.-Canada Free Trade Agreement, business opportunities are increasing for U.S. firms. Lower tariffs under the agreement and the strong Canadian dollar have created an attractive environment for increased U.S. exports. Government procurement opportunities also offer significant opportunities for large and small U.S. companies.

Canada and Mexico have always been important destinations for U.S. foreign direct investment. U.S. investment in Canada stood at $63 billion in 1990, nearly 20 percent of all U.S. foreign direct investment, and at $7.1 billion in Mexico in 1989. Investment flows have increased under the free trade agreement that includes all three countries. While many U.S. companies sell directly to Canada and Mexico, both countries increasingly are important markets for joint ventures, licensing, and affiliate sales as well.

**Does Free Trade With Mexico and Canada Mean the United States Will Lose Jobs?**

Free trade is not a zero sum game. It has a positive impact on the American economy and jobs. Trade agreements reduce barriers to commerce and open markets.

The U.S. Department of Commerce estimates that every $1 billion in exports generates 22,000 jobs in the United States. By that yardstick, U.S. exports to Canada already account for 1.9 million U.S. jobs. Moreover, since the CFTA was implemented, 264,000 jobs have been created in the United States as a result of increased exports to Canada.

Trade between the United States and Mexico has increased jobs in both countries. Mexico made the commitment to free trade and joined the General Agreement on Tariffs and Trade in 1986. The U.S. and Mexico embarked on framework trade agreements to open their markets in 1987. Since then, U.S. exports to Mexico have doubled. And Mexican exports to the United States have also grown. This means jobs are being supported and created in both countries.

A February 1991 report by the International Trade Commission, a 1990 study commissioned by the Department of Labor, and recent studies commissioned by business associations all indicate that freer North American trade results in a net increase of jobs in each country. As Chairman Michael Boskin of the President's Council of Economic Advisors has said, "It is a simplistic argument that a North American Free Trade Agreement causes the United States to lose jobs to Mexico. It makes the United States more competitive. It keeps jobs from going to Asia."

## The North American Free Trade Agreement Will Not Cause U.S. Industry To Move To Mexico To Avoid United States Environmental Protection Law

All new investments into Mexico are required to comply with Mexico's environmental legislation. Mexico passed sweeping legislation to protect its environment in 1988 (the General Law for Ecological Equilibrium and Environmental Protection). The standards set by this legislation are based in large part on the U.S. law and experience. This law reflects Mexico's commitment to protect the environment.

The U.S. Environmental Protection Agency helped its Mexican counterpart agency during the drafting and implementation of this law. The two agencies continue to meet and have developed a comprehensive plan to deal with border environmental problems in response to a request by Presidents Bush and Salinas in their November 1990 meeting in Monterey.

As an outcome of a 1983 Border Agreement signed by the Presidents of the United States and Mexico, numerous environmental protection agreements and joint projects have resulted in concrete solutions to real problems, benefiting inhabitants on both sides of the border. These achievements have been acclaimed by both governments and outside observers. Working together with the International Boundary and Water Commission, EPA and the Mexican environmental agency, SEDUE, have developed joint working groups in air, water, hazardous waste, continuous planning, and Mexico City pollution areas.

## More Trade With Mexico Will Not Mean More Pollution

Mexico's environmental enforcement efforts have been constrained by limited funds during difficult economic times. Free trade has increased investment in Mexico and increased exports, generating growth in the Mexican economy. Economic growth in Mexico means Mexican manufacturers will earn the extra money to improve the environmental efficiency of their plants. It will provide the Mexican government with the funds to step up enforcement of its environmental protection plan.

Mexico has issued a comprehensive environmental plan and has negotiated environmental agreements with ecological and industrial groups to assure compliance with the laws. Many U.S.-owned companies in Mexico have taken a leadership role in complying with strict environmental standards and urging voluntary compliance by their fellow industries.

In addition, a free trade agreement has increased the flow of environmental know-how and technology across the border. There is already a strong demand in Mexico for these services. U.S. environmental trade missions to Mexico and environmental control products and service exports have enjoyed great success in recent years.

U.S. Department of Commerce, March 1991.

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# ROLE PLAYING FREE TRADE IN NORTH AMERICA

**Introduction**

Even through students may have some understanding of the economic issues surrounding the North American Free Trade Agreement (NAFTA), they are not yet fully active in the daily struggle to earn a living. This role playing activity will perhaps help them personalize these issues and allow students to see the free trade agreement from a variety of perspectives.

**Objectives**

Students will be able to:

- Examine free trade issues from the perspective of people whose economic existence could be threatened by such agreements.
- Understand the daily consequences of tariffs and subsidies.
- Exercise their decision-making and compromising skills.

**Grade Level**

8-12

**Time**

Three hours

**Materials**

Handout #22, "Role Play Information Sheet"
Handout #23, "Role Descriptions"
Newsprint and markers

**Procedures**

1. Divide the students into four groups. Distribute one copy of Handout #22, "Role Play Information Sheet," to each student. Then distribute Handout #23 to the appropriate group members. Have students read the handouts and discuss the information on their role sheets and the information sheet.

2. Ask each group to adopt their roles and make two lists. On one sheet of newsprint they need to list the ways that they as producers benefit from trade. On the other sheet list the ways they as consumers benefit from trade.

3. Now ask each group to make two more lists. On one sheet they should list the ways they as producers could be harmed by trade. And they should also list the ways as consumers they could be harmed by trade.

4. Ask each group to list on another sheet of newsprint the rules and policies they feel should be enacted to regulate agricultural trade among the three countries.

5. Have each group post their list of proposed policies and explain them to the other three groups. When all groups have completed their presentations, ask each group to try to make a set of rules regulating agricultural trade that would be beneficial to the most people in the three countries.

6. Discuss their rules:

- How could these rules be achieved?

- What safeguards could be included to protect poor people?
- What should be included to protect the environment?
- What adjustments should be made for people who lose their jobs?

7. In a large group session, as the instructor, see if you can facilitate a compromise set of policies that the four groups can agree upon.

8. Debrief the role playing activity by asking how the role play was similar and different from real life economic negotiations.

# ROLE PLAY INFORMATION SHEET

## Agricultural Trade of the United States, Mexico and Guatemala

1. Mexico is the third most important customer for U.S. agricultural exports

- value $2.7 billion in 1989
- 75% of Mexico's agricultural purchases are from U.S.

2. Mexico is the second most important supplier of agricultural products to the United States

- value $2.5 billion in 1989
- 90% of Mexico's farm exports are bought by the United States

3. U.S.-Mexican agricultural trade is 12% of their total trade

4. U.S. agricultural exports to Guatemala

- 61% of Guatemala's agricultural purchases are from the United States

5. Guatemalan agricultural exports (to all destinations)

- agricultural exports are 75% of total exports by value
- in 1990 increased 26% over 1989
- total value: $1.6 billion in 1990

6. Guatemalan "traditional" exports" coffee, sugar, bananas, meat, cardamon
"non-traditional" exports: textiles, foods, chemicals, sesame seeds, tobacco, shrimp

- 77% in 1990 of exports were traditional
- 23% in 1990 of exports were nontraditional (includes snow peas)

7. The value of Mexico's agricultural exports are approximately three times those of Guatemala.

| | Guatemala | Mexico | U.S. |
|---|---|---|---|
| population | 8.9 mil | 84.6 mil | 248.8 mil |
| GNP per person | $910 | $2,010 | $20,910 |
| urban/ | 72% | 72% | 75% |
| rural | 61% | 28% | 25% |
| % farmers | 50+% | 25+% | 2% |
| unemployment rate | 20+% | 20+% | 6.9% |

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Sources: World Bank, USDA-FAS, AFL-CIO

**1990 U.S. Agricultural Exports to Guatemala** (465,979 million metric tons)

Distribution by products

| | |
|---|---|
| Wheat/wheat products | 46% |
| Corn | 32% |
| Soybeans/soybean products | 11% |
| Animal fats | 6% |
| Other | 5% |

Source: USDA-FAS

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**1989 U.S. Agricultural Exports to Mexico by Value**

| | | |
|---|---|---|
| Food/feed grains | 38.7% | $952.0 (in millions) |
| Soybean/soybean products | 16.4% | 403.8 |
| Live animals/animal products | 24.0% | 195.4 |
| Milk/dairy | 7.9% | 591.9 |
| Seeds | 4.7% | 116.3 |
| Oils | 1.5% | 37.8 |
| Others | 6.7% | 165.6 |

Source: GAO

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**1988 Mexican Agricultural Exports to the United States by Value**

| | | |
|---|---|---|
| Fresh/frozen fruits & vegetables | 37.4% | $673.2 (in millions) |
| Processed foods | 20.1% | 361.8 |
| Coffee/coffee products | 16.3% | 293.4 |
| Live animals | 14.4% | 249.2 |
| Other | 11.8% | 212.4 |

Source: GAO

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**1990 Guatemalan Agricultural Exports to All Destinations** (in millions, U.S.$)

| **Traditional: (77%)** | | **Non-traditional: (23%)** | |
|---|---|---|---|
| Coffee | $321 | Textiles | $60 |
| Sugar | 141 | Foods | 33 |
| Bananas | 94 | Chemicals | 27 |
| Meat | 50 | Sesame seeds | 23 |
| Cardamom | 38 | Shrimp | 15 |

Source: Min. de Economia de Guatemala

Handout #23
Page 1 of 2

## ROLE DESCRIPTIONS

### A. Guatemalan farmers, members of Cooperative Flor of Patzun

You are small farmers in the highlands around Patzun (about 50 miles from Guatemala City). For several years you have belonged to a 1500-member coop which markets snow peas and broccoli directly to the United States. You own small land holdings on which you grow both export crops and food for your family--corn, beans and squash. As consumers you purchase cooking oil, tools and implements, and school supplies, all requiring cash. You add to family income by working for large farms in the area and growing cabbage or corn for sale in the city.

You are risk takers because prices for agricultural exports are unpredictable. If your vegetables reach the U.S. market first, you could pocket a profit equal to several years' usual income. Trade provides hard currency for the co-op to purchase tractors and a FAX machine, and for farmers to purchase pesticides, sprayers, and seeds. But with competition from growers in Guatemala, Costa Rica, Mexico, and unpredictable weather, you may wind up with bushels of snow peas and handsful of unpaid bills.

Some U.S. trade and agricultural policies which affect you include:

- seasonal tariffs on certain fruits and vegetables to protect U.S. farmers
- restrictions on pesticide residues on foods.
- food aid or subsidized ("cheap") U.S. exports which affect your corn prices

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### B. Mexican farmers in the northern region

You are farmers with large holdings of irrigated land in northern Mexico who grow tomatoes, onions, broccoli, and strawberries for export to the United States. You have access to credit for the purchase of equipment, pesticides, or fertilizers. In recent years Mexican government policy has favored export crops such as yours. You do not grow food for your family or for sale locally, but purchase corn, beans, flour, vegetables, meat, and other consumer items, some of them originating in the United States.

Because so many Mexicans are poor and unemployed, finding field labor is not a problem. Your sales of vegetables and fruits have grown steadily all through the 1980s (even if the U.S. President disliked broccoli), although you worry about various U.S. restrictions which could leave you holding the vegetables. You are very interested in free trade proposals that would give you more opportunities for sales in the U.S. market.

Some U.S. trade and agricultural policies which affect you include:

- seasonal tariffs on certain fruits and vegetables to protect U.S. farmers
- restrictions on pesticide residues on foods
- marketing orders which require some commodities, e.g., tomatoes, onions, to meet stringent grade, size, appearance and other standards

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## C. U.S. fruit/vegetable farmers in Florida/California

You grow strawberries and vegetables--snow peas, tomatoes, broccoli, cauliflower and asparagus--for U.S. consumers. The demand for fresh fruits and vegetables has expanded over the past decade, so even the competition of produce from Latin America hasn't hurt your sales. You own your land and irrigation system and have access to credit for purchases of equipment and chemicals. Seasonal farm workers are paid minimum wage. Should a freeze or other natural disaster occur, you will likely be eligible for federal assistance.

You products are not protected by an established price (like wheat and corn under the farm programs), but are shielded in part from foreign competition through specific policies. For example, seasonal tariffs on strawberries, tomatoes, cauliflower and broccoli raise the prices of imports during your harvest period. Marketing orders restrict the appearance, grade, size of tomatoes, onions, and other items, keeping out inferior products (whether grown in the United States or elsewhere).

But you are worried because NAFTA has created free trade with Mexico. That's fine for the apple growers in the Northwest who have no Mexican competition, but it puts your farming future in jeopardy. Let's face it: your costs for land, labor, environmental protections, and marketing are usually higher than for your Mexican (or Central American) competitors.

## D. U.S. grain farmers in Kansas and Nebraska

You are family farmers who grow wheat and feed grains (corn and sorghum). You participate in the federal government commodity programs which provide income support but require considerable paper work and place some restrictions on land use. However, with prudent judgment and a limited debt burden, you can support your family. You have both irrigated and non-irrigated fields. Access to credit is not like the easy 1970s, but you can borrow what you need for equipment and planting.

You are very aware of foreign trade because much of your grain goes abroad. You appreciate the increased emphasis on trade through various export programs in the last two farm bills (1985 and 1990). About 40 percent of U.S. grain exports are to developing countries including Mexico and Central American nations. You are interested in proposals for a free trade agreement with Mexico because that nation has bought increasing amounts of U.S. grain. Mexican farmers have grown more sorghum recently, but the demand for feed grain has grown even faster.

However, you are worried about what effects the free trade agreement might have on the farm income support programs in the United States. Would these be phased out as part of a free trade arrangement? Or would you make a better income from increased trade and not need farm commodity programs?

## INFLATION AROUND THE WORLD

**Introduction**

Almost all economic systems suffer from inflation. As population increases and resources become harder to find and exploit, the demand for things is greater, and prices therefore go up. If there are major economic problems such as the interruption of a nation's energy supply or a significant crop failure, inflation goes up rapidly. Students should become aware of the difficulties that consumers around the world encounter when inflation reaches double digits.

**Objectives**

Students will be able to:

- Become familiar with the various rates of inflation in selected nations.
- Calculate price increases for basic economic necessities for various inflation rates.
- Develop a set of strategies to deal with the hazards of inflation.

**Grade Level**

8-12

**Time**

Three hours

**Materials**

Handout #24, "Dealing With Inflation"
Handout #25, "Inflation Fighting"

**Procedures**

1. Distribute handout #24, "Dealing With Inflation." Discuss with students the causes of inflation.

2. Ask students to choose one of the six nations listed on the handout and complete the tasks outlined on the handout for that nation.

3. Ask the students to form into groups for each of the six nations listed on the handout. Have them compare their calculations and report them to the rest of the class.

4. Discuss the lists of strategies that students came up with to deal with inflation.

5. After the discussion, help the students choose another nation (see item #3 on the handout) and allow them time to complete their research.

6. Ask the students to report on their research findings in class.

7. Distribute Handout #25, "Inflation Fighting." Have the students compare their research with the strategies listed on the handout. Lead a discussion about the strategies on the handout and how the students might utilize some of them in their own lives.

# DEALING WITH INFLATION

| Annual Inflation Rates For Selected Countries (1980 to 1986) | | |
|---|---|---|
| France . . . . . . . .8.8% | Canada. . . . . . . .5.5% | Egypt. . . . . . . 12.4% |
| Poland . . . . . . .31.2% | Mexico. . . . . . .63.7% | Israel. . . . . . 182.9% |

| Hypothetical Cost of Selected Items in 1980 | | |
|---|---|---|
| Honda Civic . . . . . . . .$7,100 | Loaf of Bread . . . . . . $.53 | Six pack of Coke . . . . . .$1.25 |
| Pair of Tennis Shoes . . $18 | One Bedroom Apartment Rental Per Month . . . . . . . . . . $175 | |

1. Using the two tables above, pick one of the six nations and calculate the cost increase for each of the six items between the years 1980 and 1986. How much was the total increase over the six years for each of the six items? How much was the total increase over the six years for all the items combined?

2. Imagine that you are a resident of the nation you used to do the above calculations. Can you think of some ways you might have used to deal with the inflation increase of that nation. Make a list of the things you would do to try to maintain your standard of living in such a situation.

3. Choose a world nation, look up the inflation rate for that nation during a recent year, and do some research on how citizens in that nation have dealt with inflation. Report your findings to the rest of the class.

## INFLATION FIGHTING

1, KNOW YOUR INCOME. Make a budget. What money do you have coming in and where is it going? Make changes so you can control your economy.

2. BE A BETTER BUYER. Read the labels, compare prices, buy "on sale" and buy "in season" produce. Know when to say no to a purchase. Try to save 12 percent to 18 percent on your bills and purchases to makeup for inflation.

3. DON'T BLOW ALL YOUR MONEY. Save and invest part of your money. Even though savings account rates aren't high enough to beat inflation rates, savings helps you when unexpected expenses pop up.

4. SELL YOUR ASSETS. Sell things you don't use. Trade services for goods if possible.

5. WATCH LIVING ON BORROWED MONEY. Keep your spending in sight of your income. Too much of the 'pay later' idea can catch up with you.

6. FIGHT WASTE. Make every resource count at work, in your personal life, and in public.

7. CONSERVE ENERGY. The more you conserve, the less you have to buy.

8. MAKE THINGS LAST. The "throwaway society" increases inflation. Use what you have instead of buying the "new, improved" version.

9. MAKE YOUR OPINION HEARD IN GOVERNMENT. Let your government officials know if you approve or disapprove of various economic measures in letters, by phone, and/or by vote.

10. RETHINK THE FUTURE. Take the present economy into consideration for planning your future. Do not let economic trends dissuade you from your goals, but let them guide you to goals you know are more realistic than others.

11. PLAN WISELY. Buy large quantities of frequently used products when they are on sale and use then over several years.

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Adapted from Current Consumer, September, 1980.

## TRADE: A GOOD DEAL?

**Introduction**

In an interdependent world, the exchange of goods and services among nations is necessary and inevitable. Many economists tell us that trade benefits everybody and contributes to a more productive and cooperative world community. This activity illustrates that point while at the same time emphasizing that trade among nations which hold unequal bartering positions may not always work to the advantage of the weaker trading partners. If everyone is to share in the benefits of an interdependent world, national self-interest may have to give way to a more cooperative global spirit.

**Objectives**

Students will be able to:

- Demonstrate that what we consume often depends on complex exchanges in the world system.
- Illustrate the potential gains and losses from trade which face nations with strong economies and those which confront weaker economies.
- Emphasize the benefits, to all participants, of moving from a spirit of global competition to one of fairness and cooperation.

**Grade Level**

7-12

**Time**

One hour

**Materials**

Paper--one each of blue, red, white, yellow, and green for each student.

**Procedure**

1. Shuffle the five color stack of paper as if it were a deck of cards. Deal each student five pieces. Explain that their goal is to obtain one sheet of every color by trading with each other. (All the colors are of equal value, but to win the game, a student needs all five colors.) Allow ten minutes for trading.

2. Collect the paper, then divide the class into "Group A" and "Group B." Give Group A five sheets of paper--two blue, two red, and one green. Group B receives four sheets of white paper. Write the following color key chart on the chalkboard.

Blue = an essential food
Red = an essential food
Green = an essential food
Yellow = a nonessential food
White = an essential fuel

3. Explain that Group A has more blue, red, and green than it needs, but that it lacks white (fuel). It needs one blue, one green, and as many white sheets as it can get. Group B needs only one white sheet, but must acquire one or more of each of the other colors (essential foods). Allow fifteen minutes for trading.

4. Collect the paper, then divide the class into three groups--A, B, and C. Groups A and B possess the same resources they had at the beginning of the second game. Group C has only two yellow sheets (nonessential food). The needs of groups A and B are the same as they were in game two. Group C needs all the essential foods and fuel. Allow trading to begin. Interrupt it after a few minutes to say that Group C will die in five minutes if it doesn't receive more essential resources. Explain that if groups A and B still are unwilling to help out C, three minutes after trade resumes, that C may disrupt the game (a revolution).

## Debriefing

1. Ask students what would be the best outcome in each situation. How do these outcomes compare to what really happened when students acted out the situations? What are their criteria for judging what is a good outcome?

2. Have students identify examples of real world trade situations similar to those in the games. Examples: Step 1, Canada trades energy for U.S. cars; Step 2, U.S. trades technology and manufactured goods for Saudi Arabian oil; Step 3, Costa Rica attempts to trade cocoa and coffee to the U.S. and Saudi Arabia, for technology and oil, respectively.

3. What does Group C need to participate? How can it get what it needs?

4. Ask how the other groups responded to: (a) Group C's poverty (b) Group C's threat of violence. Do those factors and those responses correspond to real situations? Discuss the two motivations for aid to Group C, genuine benevolence or fear of Group C's threat to the political and economic status quo. What were Group A's and Group B's responses? How did they differ?

5. What other factors (beside food and fuel) could the colors represent? Discuss how such changes would alter the games.

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Robert Andersen

## TOWARD INTERNATIONAL COOPERATION

**Introduction**

Although every country has consumer needs and weaknesses, it also has resources, whether they be natural, educational, or experiential. There is a need to identify some of these resources, and to coordinate methods of sharing them.

**Objectives**

Student will be able to:

- Develop data analysis skills.
- Explore consumer interdependency.
- Become more familiar with the concept of international cooperation.

**Grade Level**

9-12

**Time**

Two hours

**Materials**

Handout #26, "India Data Handout"

**Procedure**

1. Distribute Handout #26. Discuss and draw implications from the statistics.

2. Identify India's strengths and needs. Categorize them as being political, consumer, or energy needs.

3. Assign each student another country to represent. For the duration of the hour, and/or for homework have students research their countries. They should look for strengths and weaknesses similar to those discussed in Step 2.

4. Have each student deliver a one-minute oral presentation defining what his/her country can contribute in resources or education to help solve the problems identified in Step 2.

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Ruth Glass

## INDIA DATA HANDOUT

Population Density: 706 per sq. mi/273 per sq. km.

Growth Rate: 1.9 percent

Urban Population: 26 percent

Literacy Rate: 34 percent Female, 62 percent Male

Chief sources of Foreign Income (including export products, tourism, and services): gems and jewelry: engineering goods: clothing; textiles; chemicals; and tea.

Per Capita GNP: $310.00

Political Status: Independent since 1947

Population Doubling Time: 36 years

Calories as percent of Requirements: 101 percent

Population with Safe Water: 86 percent

Population with Safe Sanitation: 16 percent

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1994 World Population Data Sheet.
Population Reference Bureau. Washington, D.C.
Ruth Sivard: World Military and Social Expenditures. 1993.

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## THE IMPORTANCE OF IMPORTS

**Introduction**

Every nation must concern itself with whether--and how much--to import to satisfy its needs and the tastes of its consumers. In some situations a country may benefit by the importation of goods that cannot be produced domestically or which are better quality when made abroad. In other cases, importation of certain goods may be detrimental to national interests or to the interest of certain groups within the nation. Students are probably aware of some of the political and economic issues raised, for example, by the importation of foreign oil into the United States. Trade barriers serve a variety of political and economic reasons. This activity uses cars and TV sets to illustrate the dilemma of "free" trade as viewed by a more developed country (the United States) and by a less developed country (Venezuela).

**Objectives**

Students will be able to:

- Demonstrate how controversial issues in the national and world communities affect the quality and quantity of goods available to the consumer.
- Demonstrate the benefits and disadvantages of imports and import restrictions for both richer and poorer nations.
- Introduce the concept and problem of development in the context of global economics.

**Grade Level**

7-12

**Time**

One hour

**Materials**

Handout #27, "Economic Advisors"

**Procedure**

1. Distribute Handout #27.

2. Have students discuss the situations.

- What are the options in each case?

- What are the arguments for and against each option? Emphasize: (a) the conflict in the United States between the need to protect domestic jobs and the need for fuel efficient cars; (b) the conflict in Venezuela between the growing demand for luxury items and the need to use Venezuela's wealth in Venezuela; (c) the conflict between the freedom of the individual to satisfy his/her own needs and desires and the need for overall planning and coordination for the common good; and (d) the possibility of importing a good, but of imposing a tax (tariff) on it.

- What are the potential advantages and disadvantages of tariffs? A tariff will generate money for the government, but it makes the good more expensive and therefore more out of reach for the average buyer. Tariffs can be used to protect and support parts of the domestic economy, but they may adversely affect other aspects of the economy and restrict individual choice.

- Who are the foreign and domestic advocates of each option in each case? How many advocates support each option? How much influence does each one have?
- What is a developing country and why are its problems different from a developed country?
- Are there similarities between the dilemmas it faces and those faced by developed countries?
- Do developing countries have different needs--and should they make different economic decisions--than developed countries?

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Robert Andersen

# ECONOMIC ADVISORS

CASE 1:

You are advisers to the President of the United States. You are asked to help the President outline a position on whether to restrict importation of Japanese cars. The problem is this: United States citizens are buying more fuel-efficient Japanese cars; United States carmakers are laying off workers as sales of their cars decline.

CASE 2:

You are advisers to the President of Venezuela. You are asked to help formulate a policy on importation of color TV sets. The problem: Many Venezuelans are becoming wealthier (Venezuela is an OPEC member) and are demanding luxury goods that are unavailable in their country, but Venezuela needs to develop its own economy and many argue that Venezuelans should be forced to buy and invest in Venezuela.

# LABOR-INTENSIVE SYSTEMS AND CAPITAL-INTENSIVE SYSTEMS

**Introduction**

Most economic systems in today's world fall into two broad categories, labor-intensive and capital-intensive. The distinction between the, two, however, is lost to most United States citizens. This activity attempts to develop both concepts while providing an opportunity for the students to explore and clarify their values with respect to both concepts. It also helps students to recognize which nations are labor-intensive and which are capital-intensive.

**Objectives**

Students will be able to:

- Become familiar with the concepts of labor-intensive and capital-intensive economic systems.
- Discuss the advantages and disadvantages of both systems.
- View the advantages and disadvantages of both systems from the perspective of different nations.

**Grade Level**

10-12

**Time**

Three to five hours

**Materials**

Handout #28, "Labor-Intensive Systems and Capital-Intensive Systems"
Handout #29, "Labor-Intensive Systems"
Newsprint
Magic markers

**Procedure**

1. Distribute Handout #28 and allow students time to read it. Have a couple of students define labor-intensive and capital-intensive systems. Insist they use different examples than are on the handout.

2. As soon as the class understands both concepts, distribute Handout #29. After students have completed it, discuss the nations the students have checked. There is no need to be precise about whether each nation is predominately labor, or capital-intensive. The purpose of the handout is to allow students to apply the concepts to present-day nations and to develop further criteria to distinguish between the two concepts.

3. Ask students to form groups of three to five people. Give each group a magic marker and some newsprint. Ask half of the groups to list the advantages and disadvantages of a labor-intensive system, and ask the remainder to do the same for capital-intensive economic systems. Allow ten to fifteen minutes for each group to finish its list. Then ask each group to report to the rest of the class. Post the lists, compare, and contrast them.

4. Assign each group to represent one of the following countries: U.S.A., China, Japan, Mexico, Kenya, Saudi Arabia, India, Germany, and Brazil. Allow class time to go to the school library to research their countries' rates of birth and unemployment, major imports and exports, major means of employment, and plans for future economic development. Encyclopedias and United Nations area handbooks are good sources of such information.

5. When the groups have completed their research, ask them to calculate the effects of the following hypothetical events on their countries' economic systems.

- The price of crude oil doubles to $60 a barrel
- Industrial worker absenteeism reaches 40 percent
- Steel prices jump 75 percent
- Unemployment reaches 15 percent; and
- Vast coal reserves are discovered in the country.

As you write each event on the chalkboard, allow three to five minutes for each group to discuss it and reach consensus on how its nation would be affected. Then have each group share its findings.

6. Ask students the following:

- What resources are needed to support a capital-intensive economic system?
- What resources are needed to support a labor-intensive economic system?
- Given what we know about present trends concerning the availability of critical resources, which of the two systems will be most affected?

**Further Activities**

Have students write scenarios in which their countries are transformed from labor to capital-intensive economies or vice versa. The social and economic changes brought about by such transformations should be discussed.

# LABOR-INTENSIVE SYSTEMS AND CAPITAL-INTENSIVE SYSTEMS

In order to produce any output, we need various inputs. In cooking, the inputs we need are the ingredients, the appliances and the energy to fuel them, and our own labor and ingenuity. The goods which a society produces and consumes also need inputs. Among the most essential inputs, or factors of production are: (a) the labor needed to design, assemble and produce the good, and (b) the capital needed to purchase the equipment, tools, or ingredients. Different goods and different methods of production require different mixes of labor and capital. The terms labor-intensive and capital-intensive refer to the nature of that mix. Labor-intensive goods, like Guatemalan hand-made textiles, use relatively large amounts of labor; capital-intensive goods like computers, use relatively large amounts of capital. The terms describe not only particular goods and services, but also the character of production in entire societies. Thus Honduras might be called a labor-intensive society, while the United Kingdom is more capital-intensive.

Many goods, like agricultural products, can use varying amounts of labor and capital to produce the same kind of amount of output. The so-called mechanization of agriculture in the United States has, by definition, made agriculture more capital-intensive. To put it another way, agricultural technology in the United States has changed from being labor-intensive, as it was in the days of plantation agriculture, to being highly capital-intensive, using more machines and less labor. The word technology simply refers to the mix of factors used to produce any given output.

The goods and services produced by a single society may be a complex mix of labor-intensive and capital-intensive products. Even the United States, which is generally thought to be a capital-intensive society, still produces and consumes many labor-intensive goods and services.

Different societies have different amounts and types of factors available to produce any given output. Many developing countries, for example, have large amounts of labor and very little capital available for investment. To use capital-intensive agricultural technology--which uses very little labor and a lot of machines--would not be wise in such a setting since it would not be appropriate to the factors available in the country. Appropriate technology, therefore, involves fitting technology to the available factors in the society.

The preceding paragraphs have introduced a number of important economic terms and concepts. Before going on, make sure you have a basic understanding--not necessarily a dictionary definition--of the following:

inputs
outputs
labor
capital
investment

technology
appropriate technology
employment
developing countries

## LABOR-INTENSIVE SYSTEMS

Below you will find a list of countries. Check those which you think have a predominately labor-intensive type of economy.

________ United States

________ People's Republic of China

________ Peru

________ Germany

________ Japan

________ North Korea

________ South Korea

________ Kampuchea

________ Guatemala

________ Egypt

________ Kenya

________ Saudi Arabia

________ Iran

________ India

________ Bosnia-Herzegovina

## THE FAMILY JEWELS

**Introduction**

"What we want is what we need" is a frequent characterization of United States' consumptive patterns. In this activity students look at the buying habits of their family, a neighboring family, and at photographs of home interiors in other cultures. They compare their needs and wants to those of people in other cultures.

**Objectives**

Students will be able to:

- Identify how status affects consumer behavior.
- Value the diversity of other cultures.
- Better understand current world conditions.
- Make comparisons of wants/needs that lead to greater cross cultural understanding.
- Learn why people purchase what they do.

**Grade Level**

7-12:

**Time**

Two hours, plus homework

**Materials**

A set of five pictures showing household interiors of divergent cultures; National Geographic is a good source.

**Procedures**

Day 1

1. Have each student identify what s/he considers to be the five most important possessions of his/her family.

2. Have students compare their lists in small groups. Ask:

- Do lists agree in any respects? What are the similarities? The differences?

- Do you think a list from another part of our country might be vastly different? Can any generalizations be drawn about our country's consumption patterns?

3. For homework, have students visit a friend's or neighbor's home. Instruct them to stand in the center of the living room and categorize the first twenty objects they see whether they are a "need" or a "want."

Day 2

4. In small groups have students compare lists. Ask them to arrive at some consensus of what a need is versus a want.

5. Show students five pictures of home interiors from other cultures. Have them list each household's wants and needs.

Discuss with students the following:

- Why are the wants and needs of people from other cultures different from our own?
- What determines a person's wants and needs?
- Are our wants/needs more valid than those of other cultures?
- Why are we able to consume more or less than the families in the pictures?
- If some people consume more does that automatically mean there is less for someone else in the world?

**Further Activities**

1. Have students interview someone from a different culture regarding the wants and needs of consumers in his/her home country. Have their consumption patterns changed since they came to this country?

2. Create a scenario in which students move to a specific country to establish a household. What do they know (possible research topics) about climate, living conditions, availability of consumer goods? What personal possessions will they take with them?

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Claudia Czajkowski

## WHY DO I BUY THESE THINGS?

**Introduction**

This activity teaches students about their buying habits and what factors motivate us to purchase things. A world wise consumer needs to be able to understand why s/he purchases things in order to lower his/her level of frivolous consumption.

**Objectives**

Students will be able to:

- Better understand their own consumer behavior.
- Have the opportunity to compare this decision-making process with that of others.
- Make rough calculations regarding the long-term effects of one's consumer behavior.

**Grade Level**

8-12

**Time**

Three hours

**Materials**

Handout #30, "Purchase Diary"
Handout #31, "Types of Consumer Decisions"

**Procedure**

1. Distribute Handout #30, "Purchase Diary," and go over it with the students. Tell them that for the next class meeting they need to complete the diary. Have them list the last 20 purchases they made.

2. When the students complete the purchase diary, list on the chalkboard some of the more common purchases, and some of the purchases of items made in other countries. Be sure to talk about why the students made their decisions.

3. Now distribute Handout #31, "Types of Consumer Decisions." Carefully go over each of the types of consumer decisions, giving examples of each, so that the students can get a new view of why people might make a certain type of decision. Have students go back over their purchase diaries and see if they want to change any of their responses regarding the types of decisions they made. When they have finished this task and you have talked with them about their changes, engage them in a discussion about which types of decisions might be the best to make in view of the fact that we live in a finite world. Also ask them to consider whether or not they have the right to make frivolous purchases when such purchases might prevent others from having the basic necessities for life. Discuss the students' responses to the questions at the bottom of the handout.

4. Distribute another copy of Handout #30, "Purchase Diary," to each student and have them record all their purchases over the next week. After the week is up, see if any of them changed their consumer behavior. Ask them if they thought about making more rational consumer decisions. Have the students compare both purchase diaries they completed. Ask them if they see any differences.

5. Distribute yet another copy of Handout #30, "Purchase Diary," to each student and ask them to have their parents complete it with regard to the last ten purchases they made. Have the students bring their completed diaries to class to see if their parents (or other adults) have buying habits different from the students.

Handout #30

## PURCHASE DIARY

| Item Purchased | Cost | Type of Decision | County of Origin |
|---|---|---|---|
| | | | |
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# "TYPES OF CONSUMER DECISIONS"

One way in which consumer decisions differ is in the care and thought a person used in making them. Below are seven common types of consumer decisions.

LONGEVITY. . .You buy something because it will last a very long time without needing too many repairs.

IMAGE. . .You buy something because it makes you feel you are part of a group or because it makes you feel attractive or because it is fashionable and gives you a certain status.

NATION OF ORIGIN. . .You buy something because you want to support the economy and the people of a particular nation.

HABIT. . .You buy something because you have bought that item many times before and found it satisfying.

ENVIRONMENTAL IMPACT. . .You buy something because you feel it has a less adverse impact on the environment than other products.

HEALTH. . .You buy something because you feel it is healthier than other products.

SPUR OF THE MOMENT. . .You buy something without much thought because of a spontaneous, emotional reaction that makes you feel good at that particular moment.

1. What type of consumer decision do you use most frequently?

2. What kinds of patterns can you see in your own consumer decisions?

3. How would the world be changed if everyone on the planet used the same consumer strategies as you do?

4. What advantages do you see in using any of the consumer decisions over any of the others?

5. Which strategies favor the long term sustainability of the planet's resources?

6. Imagine that you are a factory worker in India. What types of consumer decisions do you think you might most frequently make? How would your decisions differ from those of a factory worker in Canada?

# WHAT'S MY SHARE?

**Introduction**

It will be impossible for humans to attain a state of sustainable development if people in some nations consume far, far more than their share of the world's resources. If these people could voluntarily lower their levels of consumption, it could possibly help prevent widespread disaster and even save the over consumers from a significant lowering of their own living standards. This activity will help students to realize just what is their share of the world's big pie.

**Objectives**

Students will be able to:

- Become acquainted with the disparity between their level of consumption and the level of consumption in the rest of the world.
- Interpret and extrapolate statistical data.
- Confront the moral issues involved in over consumption.

**Grade Level**

8-12

**Time**

Two hours

**Materials**

Handout #32, "What's My Share Information Sheet"
Handout #33, "What's My Share Worksheet"

**Procedures**

1. Distribute Handout #32, "What's My Share Information Sheet," and go over the data with the students. Be sure they understand the various abbreviations and data categories (for example, kg> for kilogram). Tell them that this activity is about over consumption and that they will be comparing their own consumer behavior with that of the average citizen of the planet.

2. Distribute Handout #33, "What's My Share Worksheet," and go over the questions so that the students understand each one. Ask them to complete the worksheet.

3. Have them pair up and discuss their responses to the worksheet and compare their calculations.

4. Go over all the questions on the worksheet with the entire class and use each question as a springboard for discussion. Especially focus on the last question on the worksheet and the students' responses to that question.

Handout #32
Page 1 of 2

## WHAT'S MY SHARE INFORMATION SHEET

World average movie attendance per year: 2.7 movies
U.S. average movie attendance per year: 4.5 movies

World average of persons per TV set: 9.9
U.S. average of persons per TV set: 1.7

World average persons attending college: 1 in 9
U.S. average persons attending college: 6 in 10

World average per capita expenditures per year on education: $62
U.S. average per capita expenditures per year on education: $771

World average of pupil to teacher ratio: 44 to 1
U.S. average of teacher to pupil ratio: 24 to 1

World average of population per physician: 1,712
U.S. average of population per physician: 438

World average of daily calorie intake: 2,518
U.S. average of daily calorie intake: 3,641

World average of rooms per house: 3.2
U.S. average of rooms per house: 5.1

World average of yearly soft drink consumption per capita: 96 cans
U.S. average of yearly soft drink consumption per capita: 419 cans

World average of yearly steel consumption per person: 136 lbs.
U.S. average of yearly steel consumption per person: 985 lbs.

World average of milk consumption per capita per year: 64 glasses
U.S. average of milk consumption per capita per year: 434 glasses

World average of meat consumption per capita per year: 15.6 lbs.
U.S. average of meat consumption per capita per year: 107.8 lbs.

World average persons per telephone: 16
U.S. average persons per telephone: 1.3

World average percentage of roads that are paved: 44%
U.S. average percentage of roads that are paved: 88%

World average electricity consumption per capita per day: 2.3 KWH
U.S. average electricity consumption per capita per day: 29 KWH

World average of persons per household: 4.8
U.S. average of persons per household: 2.6

World average persons per automobile: 12
U.S. average persons per automobile: 1.3

World average jet fuel consumption per person per year: 12 kg.
U.S. average jet fuel consumption per person per year: 258 kg.

World average annual inflation rate: 8.9%
U.S. average annual inflation rate: 4.4%

World average population density per square mile: 146 persons
U.S. average population density per square mile: 66.3 persons

World average annual consumer dollars spent per person: $930
U.S. average annual consumer dollars spent per person: $10,870

Handout #33
Page 1 of 3

# WHAT'S MY SHARE WORKSHEET

Answer the following questions as if you were a U.S. citizen:

1. How many movies do you see in a year? __________ How many movies does the average U.S. citizen see in a year? ___________? How many fewer movies could you see per year if you saw only your share? ________

2. How many calories less per day should you consume if you only consumed your share? _____________ Find a list of foods and their caloric values and make a list of the food you would not be able to eat each day in order to get to the calorie level that represents your share.

______________________________ ______________________________

______________________________ ______________________________

______________________________ ______________________________

______________________________ ______________________________

______________________________ ______________________________

3. How many cans of soft drinks per week do you drink? _______________ How many soft drinks does the average U.S. citizen drink each week? _________________ How many fewer cans of soft drinks should you drink per week if you only drank your share? ______________

4. How much less money per year would be spent on your education if you were funded at the world average? ________________

5. How much less of a chance would you have of going to college if U.S. citizens attended college at the same rate as the world average? _________________________

6. If the United States had the same percentage of paved roads as the rest of the world, what percentage of roads would be paved? ____________________ Take a map of your town or city and mark in red the roads which are now paved that wouldn't be if you had only your share of paved roads.

7. How many less automobiles would U.S. citizens have per person if they only had their share? ____________ How many cars would each family in the U.S. have if the average household were three people, and they had only tneir share of cars? ________________

8. How much less jet fuel per person would we have in this country if we only had our share? _____________________

9. If you only consumed your share of electricity, how many days per year could you use electricity if you consumed electricity at the rate you do today? _____________________

10. How many people would live in your house and how many rooms would your house have if you only had your share of housing? ____________ How would that change your life?

11. How much less steel would you consume per year if you only used your share? ____________
What are the consumer items you use that are made from steel? ____________

12. How much milk could you drink per day if you only drank your share? ____________ How much less is that than what you drink now? ____________

13. How many students would be in your classroom right now if you had the same teacher/pupil ratio as the average person in the world enjoys? ________ How would that change your life? ____________

14. How much more difficult would it be for you to see a doctor if you had the same share of doctors as the rest of the world? ____________

15. The average U.S. household consists of 2.6 persons. If you had only your share of the world's TV sets, how many families would share your TV set with you? ____________ What would you have to do to watch TV? ____________

16. How many phones do you have in your home now? ____________ How many phones does the average U.S. home have? __________ How many houses would have to share one telephone if you had only your share of the world's telephones? ________ (The average U.S. household is 2.6 people.)

17. How much less money would you have to spend as a consumer if you had only your share? ____________ How many fewer pairs of shoes would you have? __________ How many less dresses? _________ How many fewer pairs of pants? ____________ How many less CD's or cassettes would you have? Would you own a car? ____________ Would your parents own a car? ________ Think about how you would budget $930 per year on food, rent, transportation, health care, entertainment, and education.

18. If the inflation rate in the United States was the same as the world average, and you only had the world average of $930 to spend, how much less would your $930 be worth at the end of the first year? ______________ The second year? ______________

19. Do you feel any obligation to attempt to consume just your share of the world's goods and services? ________Why or why not? ________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________
________________________________________________________________________

## CONSUMER STRATEGIES AROUND THE WORLD

**Introduction**

The use of graphs, charts and statistics to communicate information regarding the lives of consumers outside their own country often do not touch the imaginations of students. In order to make the consumer issues faced by people in other nations more vivid, the following activity asks students to translate statistics into stories about people's daily lives.

**Objectives**

Students will be able to:

- Recognize the consumer problems of people around the world through the eyes of these people.
- Imaginatively translate facts and statistics into real-life stories.
- Understand their status by comparing it to the lives faced by the rest of the world's consumers.

**Grade Level**

8-12

**Time**

Six hours

**Materials**

Handout #34, "World Data"
Copies of National Geographic magazines

**Procedure**

1. Distribute Handout #34, "World Data," and go over each list with the students, being careful to explain the criteria being used to rank the nations of the world on that list, for example, physicians per population or military manpower per 1,000 population. Making certain that the students can read each list is the goal of this step.

2. Assign each student a nation of the world other than those in the OECD since the focus of this activity is to help students to understand the lives of consumers in the world who are far less fortunate than those in the wealthier nations. You also might want to be sure that you have an article in one of the National Geographic magazines for each nation you assign.

3. Explain to the students that they are going to write a story about a hypothetical "average" family from their nation. This story is to be based on the facts, as revealed by the lists in the handout, and it is to focus on the economic realities and consumer choices and strategies available to this family. It is probably best to tell the students to confine their story to a day or a week in the life of the people in their country.

4. Send the students to the library to do background research on their nation. They need to develop a profile of their country and include location, physical size, major cities, population, major imports and exports, religious background, literacy rate, life expectancy, and other economic and social data. Explain to the students that they will need to use some of this information in writing their stories.

5. Distribute the National Geographic magazines so that the students can use the photos to aid them in writing their stories. They also might want to cut some of the photos out of old magazines that are available, and add them to their stories by way of illustration.

6. Have the students go over each list on the handout. They will need to find the statistics on each list related to their assigned nation. Also they need to find the statistics related to their own nation (where they currently live) so that they can use these figures as a basis of comparison to the nations they were assigned.

7. Ask the students to write their stories. Then have them form into groups and ask the students in each group to read each other's stories and edit for content and mechanics.

8. After changes are made, the students are to turn them in to you for your editing.

9. Have the students revise their stories.

10. Have each student give a short, oral report to the class on his/her story.

11. Debrief the activity by asking questions about the consumer choice and consumer strategies of the people in the students' stories. Compare these choices and strategies to those available to people in the wealthier nations.

**Further Activities**

Have other classes read the stories or collect them in an anthology for publication and distribution to other classes.

| WORLD DATA | 1) Income | 2) Clothing | 3) Food | 4) Phones | 5) TV | 6) Self-employed | 7) Size | 8) Living |
|---|---|---|---|---|---|---|---|---|
| Set 1a | | | | | | | | |
| **Africa:** | | | | | | | | |
| Algeria | 1,830 | 7.2 | 63.0 | 3.4 | 15 | 21.0 | 7.0 | 2.8 |
| Benin | 410 | 14.0 | 37.0 | 0.3 | 281 | n.a. | 5.4 | n.a. |
| Congo | 1,030 | 7.0 | 42.0 | 0.7 | 402 | * 64.3 | 5.3 | 3.7 |
| Egypt | 630 | 11.0 | 50.0 | 3.6 | 15 | 26.5 | 4.9 | 3.3 |
| Ethiopia | 110 | 6.8 | 66.7 | 0.3 | 503 | 87.8 | * 4.5 | * 2.7 |
| Libya | * 5,310 | 6.9 | 37.2 | 5.7 | 8 | 23.7 | 6.0 | 3.3 |
| Mali | 300 | 6.0 | 57.0 | 0.1 | n.a. | 45.8 | 5.1 | n.a. |
| Mozambique | 60 | n.a. | n.a. | 0.4 | 418 | 44.4 | 4.3 | n.a. |
| Namibia | 1,610 | n.a. | n.a. | 3.8 | 42 | n.a. | * 4.8 | n.a. |
| Rwanda | 250 | 11.0 | 30.0 | 0.2 | n.a. | 38.8 | * 5.2 | n.a. |
| Senegal | 780 | 11.0 | 50.0 | 0.6 | 125 | 48.4 | * 4.8 | 2.3 |
| Somalia | * 150 | 5.6 | 62.3 | 0.2 | n.a. | n.a. | * 4.9 | n.a. |
| S. Africa | 2,670 | 7.6 | 33.2 | 8.8 | 11 | 4.0 (1980) | * 4.5 | 3.4 |
| Swaziland | 1,080 | 6.0 | 33.5 | 1.9 | n.a. | n.a. | * 5.0 | n.a. |
| Zambia | 290 | 10.0 | 37.0 | 0.8 | 44 | * 22.9 | * 4.4 | 1.9 |
| **Latin America:** | | | | | | | | |
| Costa Rica | 2,000 | 8.0 | 33.0 | 9.8 | 5 | 22.9 | 4.7 | 4.0 |
| Cuba | * 2,000 | n.a. | 26.7 | 3.2 | 5 | 4.8 | 4.1 | 4.1 |
| El Salvador | 1,170 | 9.5 | 39.7 | 2.5 | 12 | 28.2 | 5.2 | 1.5 |
| Haiti | 380 | 3.2 | 77.9 | 0.8 | 265 | 51.6 | 4.0 | 3.2 |
| Honduras | 580 | 9.0 | 44.4 | 1.8 | 25 | * 34.3 | 5.7 | 2.4 |
| Mexico | 3,470 | 10.2 | 38.7 | 7.0 | 6.6 | 27.0 | 5.5 | 2.3 |
| Nicaragua | 410 | n.a. | n.a. | 1.3 | 18 | n.a. | 6.1 | 2.2 |
| **South America:** | | | | | | | | |
| Bolivia | 680 | 9.7 | 41.4 | 2.5 | 16 | 48.9 | 4.3 | n.a. |
| Brazil | 2,770 | 6.4 | 49.0 | 6.6 | 5 | 25.7 | 4.4 | 5.1 |
| Ecuador | 1,070 | 12.0 | 35.4 | 4.5 | 17 | 37.3 | 5.1 | 2.8 |
| Peru | 950 | 11.5 | 35.6 | 2.6 | 11 | 39.8 | 4.9 | 2.6 |
| Uruguay | 3,340 | 7.0 | 39.9 | 14.5 | 4.8 | 22.7 | 3.3 | 3.4 |
| Venezuela | 2,900 | 9.4 | 41.5 | 8.1 | 5.6 | 26.0 | 5.3 | 3.9 |

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| WORLD DATA | 1) Income | 2) Clothing | 3) Food | 4) Phones | 5) TV | 6) Self-employed | 7) Size | 8) Living |
|---|---|---|---|---|---|---|---|---|
| Set 1b | | | | | | | | |
| **Asia-Mideast:** | | | | | | | | |
| Afghanistan | * 220 | n.a. | 33.9 | 0.2 | 169 | 28.0 | 6.2 | 5.5 |
| Armenia | 780 | n.a. | n.a. | 17.7 | 5 | n.a. | * 4.7 | n.a. |
| Cambodia | 200 | n.a. | n.a. | 0.1 | 125 | n.a. | 5.1 | n.a. |
| China | 380 | 8.3 | 54.1 | 0.7 | 8 | 81.2 | 4.4 | 2.2 |
| Hong Kong | 15,380 | 21.9 | 16.5 | 45.9 | * 3.3 | 11.6 | 3.7 | 3.1 |
| India | 310 | 11.5 | 53.3 | 0.7 | 44 | 9.3 | 5.5 | 2.0 |
| Iran | 2,190 | 9.7 | 42.2 | 4.1 | 23 | 30.5 | 5.0 | 2.7 |
| Iraq | * 1,940 | 10.3 | 55.4 | 3.6 | 18 | 25.4 | 6.0 | 2.4 |
| Israel | 13,230 | 8.4 | 28.4 | 34.9 | 4 | 18 | 3.5 | 3.0 |
| Jordan | 1,120 | 5.5 | 37.8 | 6.4 | 12 | 22.8 | 6.6 | n.a. |
| Mongolia | * 660 | n.a. | n.a. | 3.0 | 18 | n.a. | * 4.8 | n.a. |
| Pakistan | 410 | 9.0 | 54.0 | 0.9 | 61 | 44.7 | 6.7 | 1.9 |
| Phillippines | 770 | 5.3 | 57.8 | 1.0 | 8.8 | 35.6 | 5.6 | 2.4 |
| Saudi Arabia | 7,940 | 6.6 | 52.2 | 8.4 | 3.5 | n.a. | * 6.6 | n.a. |
| Singapore | 15,750 | 7.4 | 18.9 | 40.2 | 4.9 | * 12.0 | 4.6 | 1.8 |
| Vietnam | * 210 | n.a. | n.a. | 0.1 | 31 | n.a. | 4.8 | n.a. |
| **Europe:** | | | | | | | | |
| Albania | * 1,280 | n.a. | n.a. | 1.3 | 13 | n.a. | 5.8 | n.a. |
| Croatia | n.a. | 8.6 | 37.8 | 18.8 | 4 | n.a. | * 3.1 | n.a. |
| Estonia | 2,750 | 11.7 | 29.2 | 21.0 | 3 | n.a. | * 3.1 | n.a. |
| Hungary | 3,010 | 7.6 | 41.5 | 10.7 | 2.5 | 34.1 | 2.8 | 3.6 |
| Romania | 1,090 | 15.7 | 51.1 | 10.5 | 6 | * 9.2 | 3.2 | 2.6 |
| Ukraine | 1,670 | n.a. | n.a. | 15.6 | 3 | n.a. | * 3.2 | n.a. |
| **OECD:** | | | | | | | | |
| Germany | 23,030 | 8.0 | 23.8 | 42.0 | 3 | * 8.0 | 2.3 | 4.4 |
| Japan | 28,220 | 9.4 | 24.3 | 45.4 | 1.8 | * 13.2 | 3.0 | 4.7 |
| Sweden | 26,780 | 7.3 | 20.3 | 68.7 | 2.4 | * 8.3 | 2.2 | 3.2 |
| Turkey | 1,950 | 12.3 | 33.1 | 14.3 | 5 | * 28.7 | 5.2 | 2.4 |
| USA | 23,120 | 7.5 | 18.4 | 55.3 | 1.3 | * 8.3 | 2.6 | 5.2 |

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| WORLD DATA | 9) Water | 10) Electricity | 11) Life | 12) Doctors | 13) Calories | 14) Meat | 15) Cereal | 16) Vegetables |
|---|---|---|---|---|---|---|---|---|
| Set 2a | | | | | | | | |
| **Africa:** | | | | | | | | |
| Algeria | 45.8 | 73.3 | 67 | 1,062 | 2,818 | 2.0 | 56.8 | 1,595 |
| Benin | n.a. | n.a. | 46 | 16,025 | 2,245 | 2.7 | 36.3 | 178 |
| Congo | 30.5 | 8.8 | 49 | 3,873 | 2,603 | 2.3 | 18.5 | 40 |
| Egypt | 73.1 | 87.0 | 62 | 616 | 3,326 | 2.5 | 60.5 | 10,818 |
| Ethiopia | n.a. | n.a. | 52 | 36,660 | n.a. | 4.2 | 68.8 | 569 |
| Libya | 70.1 | 72.1 | 63 | * 690 | 3,350 | 7.7 | 43.3 | 77 |
| Mali | n.a. | n.a. | 45 | * 20,602 | 2,234 | 3.6 | 76.9 | 245 |
| Mozambique | 12.7 | 4.2 | 47 | 43,536 | 1,665 | 1.8 | 31.9 | 198 |
| Namibia | n.a. | n.a. | 59 | 4,450 | n.a. | 13.8 | 47.7 | 28 |
| Rwanda | n.a. | n.a. | 46 | * 33,170 | 1,945 | 1.2 | 13.1 | 194 |
| Senegal | 87.7 | 95.9 | 49 | 17,072 | 2,374 | 4.0 | 68.1 | 101 |
| Somalia | n.a. | n.a. | 47 | 19,072 | 1,932 | 6.6 | 50.3 | 55 |
| S. Africa | n.a. | n.a. | 65 | 1,320 | 3,104 | 8.1 | 54.0 | 1,886 |
| Swaziland | 33.4 | 11.6 | 56 | * 7,971 | 2,612 | 6.1 | 52.5 | 13 |
| Zambia | 12.4 | 27.5 | 44 | 8,437 | 2,054 | 2.5 | 73.1 | 260 |
| **Latin America:** | | | | | | | | |
| Costa Rica | 86.9 | 97.3 | 76 | 798 | 2,791 | 5.5 | 35.3 | 78 |
| Cuba | 74.1 | 82.9 | 77 | 303 | 3,153 | 7.1 | 36.6 | 676 |
| El Salvador | 48.0 | 34.1 | 66 | 1,322 | n.a. | 2.4 | 56.9 | 164 |
| Haiti | 12.0 | 1.1 | 46 | 6,039 | 2,011 | 3.7 | 37.9 | 306 |
| Honduras | 55.0 | 25.0 | 66 | 1,586 | 2,229 | 2.3 | 54.5 | 115 |
| Mexico | 66.2 | 74.6 | 70 | 600 | 3,048 | 8.0 | 48.7 | 4,675 |
| Nicaragua | 27.9 | 40.9 | 63 | 1,678 | n.a. | 6.1 | 40.5 | 52 |
| **South America:** | | | | | | | | |
| Bolivia | 37.9 | 33.0 | 61 | 2,124 | 1,968 | 9.2 | 48.6 | 297 |
| Brazil | 70.8 | 83.2 | 67 | 684 | 2,722 | 6.4 | 38.9 | 5,527 |
| Ecuador | 51.8 | 47.3 | 69 | * 826 | 2,518 | 5.2 | 38.0 | 371 |
| Peru | 73.4 | 89.5 | 65 | 997 | 2,244 | 5.4 | 45.4 | 781 |
| Uruguay | 88.9 | 84.7 | 73 | 341 | 2,697 | 19.8 | 37.1 | 186 |
| Venezuela | 85.3 | 88.6 | 70 | 576 | 2,620 | 9.2 | 37.5 | 426 |

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| WORLD DATA | 9) Water | 10) Electricity | 11) Life | 12) Doctors | 13) Calories | 14) Meat | 15) Cereal | 16) Vegetables |
|---|---|---|---|---|---|---|---|---|
| Set 2b | | | | | | | | |
| **Asia-Mideast:** | | | | | | | | |
| Afghanistan | 25.3 | 66.5 | 42 | 4,797 | 2,055 | 3.3 | 81.5 | 448 |
| Armenia | n.a. | n.a. | 70 | 246 | n.a. | n.a. | n.a. | 390 |
| Cambodia | n.a. | n.a. | 49 | 27,000 | n.a. | 3.7 | 80.5 | 470 |
| China | 89.4 | n.a. | 70 | 646 | 2,634 | 7.4 | 70.8 | 118,604 |
| Hong Kong | 85.7 | n.a. | 78 | * 896 | 2,817 | 21.4 | 37.0 | 114 |
| India | 67.0 | 53.3 | 57 | 2,337 | 2,196 | 0.4 | 62.3 | 54,358 |
| Iran | 46.8 | 83.1 | 65 | 2,882 | n.a. | 3.8 | 64.1 | 7,625 |
| Iraq | 20.8 | 17.1 | 64 | 1,922 | n.a. | 3.9 | 60.6 | 2,295 |
| Israel | 98.5 | 96.5 | 76 | 345 | 3,150 | 7.8 | 32.0 | 1,104 |
| Jordan | 77.2 | 77.3 | 67 | 813 | n.a. | 3.7 | 61.8 | 647 |
| Mongolia | 0.3 | 47.5 | 65 | 345 | 2,449 | 24.6 | 49.0 | 22 |
| Pakistan | 20.3 | 30.6 | 60 | 2,364 | 2,197 | 2.4 | 58.5 | 3,725 |
| Phillippines | 41.4 | 46.0 | 64 | 1,062 | 2,342 | 5.1 | 62.2 | 4,253 |
| Saudi Arabia | n.a. | n.a. | 70 | 852 | 2,842 | 7.4 | 45.5 | 1,630 |
| Singapore | 90.6 | 98.3 | 74 | 779 | 3,249 | 16.1 | 35.1 | 8 |
| Vietnam | n.a. | n.a. | 65 | 3,096 | n.a. | 4.8 | 72.9 | 4,012 |
| **Europe:** | | | | | | | | |
| Albania | n.a. | n.a. | 72 | 574 | 3,060 | 5.2 | 66.4 | 248 |
| Croatia | * 74.5 | * 96.1 | 71 | 466 | 3,620 | n.a. | n.a. | n.a. |
| Estonia | n.a. | n.a. | 70 | * 220 | n.a. | n.a. | n.a. | 105 |
| Hungary | 81.2 | 98.8 | 69 | 306 | 3,638 | 13.3 | 29.2 | 2,078 |
| Romania | n.a. | 48.6 | 70 | 472 | 3,252 | 8.0 | 41.9 | 2,607 |
| Ukraine | n.a. | n.a. | 69 | 229 | n.a. | n.a. | n.a. | 6,666 |
| **OECD:** | | | | | | | | |
| Germany | 100 | 99.7 | 76 | 324 | 3,648 | 16.0 | 21.9 | 3,511 |
| Japan | 94 | n.a. | 79 | 588 | 2,909 | 5.8 | 41.7 | 15,022 |
| Sweden | 100 | 96.2 | 78 | 320 | 2,945 | 10.4 | 20.7 | 298 |
| Turkey | 68.0 | 56.8 | 67 | 1,108 | 3,170 | 2.9 | 49.8 | 19,058 |
| USA | 98.5 | 96.9 | 76 | 404 | 3,676 | 18.7 | 19.7 | 32,227 |

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| WORLD DATA | 17) Tractors | 18) Roads | 19) Teacher | 20) Literacy | 21) Libraries | 22) Movies | 23) Police |
|---|---|---|---|---|---|---|---|
| Set 3a | | | | | | | |
| **Africa:** | | | | | | | |
| Algeria | 12.3 | 59 | 27.5 | 57.4 | 1 | 880 | 840 |
| Benin | 0.1 | 11 | 34.7 | 23.4 | 18 | 330 | 3,250 |
| Congo | * 4.9 | 5 | 63.9 | 56.6 | 1 | n.a. | 870 |
| Egypt | 18.8 | 52 | 25.5 | 48.4 | 352 | 620 | 580 |
| Ethiopia | 0.3 | 45 | 43.3 | 4.8 | 4 | n.a. | 1,100 |
| Libya | 17.0 | 56 | 19.0 | 63.8 | 5 | n.a. | n.a. |
| Mali | 0.4 | 8 | 42.7 | 32.0 | n.a. | n.a. | 160 |
| Mozambique | 2.0 | 20 | 56.0 | 32.9 | n.a. | 300 | n.a. |
| Namibia | 4.4 | * 11 | 22.9 | 72.5 | 2 | n.a. | n.a. |
| Rwanda | 0.1 | 7 | 58.3 | 50.4 | n.a. | 56 | 4,650 |
| Senegal | 0.1 | 30 | 52.9 | 28.6 | 10 | n.a. | 730 |
| Somalia | 2.3 | 15 | 20.9 | 54.8 | n.a. | n.a. | 540 |
| S. Africa | 13.9 | 29 | 31 | 76.4 | 720 | 680 | 870 |
| Swaziland | 20.6 | 18 | 36.6 | 67.0 | 1 | n.a. | 610 |
| Zambia | 0.9 | 19 | 44.1 | 72.8 | n.a. | n.a. | 540 |
| **Latin America:** | | | | | | | |
| Costa Rica | 22.1 | 15 | 31.9 | 92.8 | 81 | 76 | 480 |
| Cuba | 22.5 | 30 | 12.3 | 96.0 | 327 | 4,260 | 650 |
| El Salvador | 6.0 | 14 | 40.1 | 73.0 | n.a. | n.a. | 1,000 |
| Haiti | 1.0 | 17 | 47.4 | 53.0 | 1 | 380 | 400 |
| Honduras | 2.2 | * 21 | 35.7 | 73.1 | 1 | n.a. | 1,040 |
| Mexico | 7.0 | 45 | 30.1 | 87.3 | 557 | 4,500 | n.a. |
| Nicaragua | 2.3 | 10 | 33.5 | 74.0 | n.a. | 1,750 | 90 |
| **South America:** | | | | | | | |
| Bolivia | 0.2 | 4 | 27.0 | 77.5 | 99 | 650 | n.a. |
| Brazil | 11.9 | 9 | 23.0 | 81.2 | 3,600 | 680 | n.a. |
| Ecuador | 4.8 | 16 | 30.4 | 89.8 | 210 | 1,060 | 260 |
| Peru | 4.6 | 11 | 29.3 | 89.3 | 687 | 1,910 | 730 |
| Uruguay | 23.3 | 23 | 18.5 | 95.0 | n.a. | 2,110 | 170 |
| Venezuela | 14.5 | 33 | 20.4 | 92.2 | 24 | 1,590 | 320 |

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| WORLD DATA | 17) Tractors | 18) Roads | 19) Teacher | 20) Literacy | 21) Libraries | 22) Movies | 23) Police |
|---|---|---|---|---|---|---|---|
| Set 3b | | | | | | | |
| **Asia-Mideast:** | | | | | | | |
| Afghanistan | 0.1 | * 47 | 35 | 29.4 | 55 | n.a. | 540 |
| Armenia | * 27.2 | * 99 | 11.2 | n.a. | n.a. | 4,020 | n.a. |
| Cambodia | * 0.5 | * 18 | 32.4 | 48.0 | n.a. | n.a. | 1,980 |
| China | 9.5 | 83 | 22.8 | 77.7 | 2,406 | 15,300 | 1,360 |
| Hong Kong | 1.0 | 100 | 26.7 | 88.1 | 3 | 10,290 | 220 |
| India | 4.2 | 47 | 60.6 | 48.2 | n.a. | 5,150 | 820 |
| Iran | 8.2 | 48 | 27.6 | 65.2 | 30 | 1,490 | n.a. |
| Iraq | 8.0 | * 84 | 26.0 | 59.7 | 507 | n.a. | 140 |
| Israel | 73.6 | 100 | 16.2 | 91.8 | 320 | n.a. | 210 |
| Jordan | 13.3 | * 100 | 28.0 | 80.1 | 5 | 290 | 630 |
| Mongolia | 8.7 | 2 | 21.0 | 97.9 | n.a. | 9,720 | 120 |
| Pakistan | 8.6 | 52 | 40.6 | 25.6 | n.a. | 230 | 720 |
| Phillippines | 4.4 | 14 | 32.6 | 88.7 | 501 | n.a. | 1,160 |
| Saudi Arabia | 1.6 | * 43 | 16.0 | 62.4 | 50 | n.a. | 280 |
| Singapore | 29.0 | 96 | 26.4 | 90.7 | 1 | 20,600 | 230 |
| Vietnam | 6.1 | 11 | 27.5 | 87.6 | 568 | 3,760 | n.a. |
| **Europe:** | | | | | | | |
| Albania | * 20.8 | 40 | 19.3 | 100 | 45 | 2,160 | 550 |
| Croatia | n.a. | * 73 | 18.1 | 98 | n.a. | 1,690 | n.a. |
| Estonia | * 18.5 | * 98 | 12.7 | 99.7 | n.a. | 9,510 | n.a. |
| Hungary | 10.6 | 99 | 11.8 | 98.9 | 4,765 | 4,400 | 710 |
| Romania | 18.2 | 64 | 16.6 | 95.8 | 7,181 | 8,790 | n.a. |
| Ukraine | n.a. | * 94 | 13.1 | n.a. | n.a. | 11,800 | n.a. |
| **OECD:** | | | | | | | |
| Germany | 202 | 99 | 14.9 | 100 | 20,448 | 2,100 | n.a. |
| Japan | 455 | 65 | 20.3 | 100 | 1,107 | 1,170 | 480 |
| Sweden | 62.0 | 70 | 9.4 | 100 | 381 | 2,140 | 330 |
| Turkey | 25.5 | 19 | 30.4 | 80.7 | 206 | 510 | 1,570 |
| USA | 24.9 | * 90 | 20.2 | 95.5 | 9,170 | 4,580 | 345 |

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Description of Statistics

1) Income. Per capita income (GDP) US$ 1992.
Source: World Population Data Sheet 1994, Population Reference Bureau, Inc.
* starred data are from Britannica Book of the Year 1993, pp. 792-797 and represent US$ 1990.

2) Clothing. Percent of income spent on clothing and footwear each year in the average household.
Source: Britannica Book of the Year 1993, pp. 870-875

3) Food. Percent of income spent on food each year in the average household. This number includes alcoholic and non-alcoholic beverages and meals away from home. It does not inclu tobacco products.
Source: Britannica Book of the Year 1993, pp. 870-875.

4) Phones. Number of telephones per 100 inhabitants.
Source: UN Statistical Yearbook 1994, pp. 176-185.

5) TV. Number indicates one television set per number of people listed.
Source: The World Almanac and Book of Facts 1994
* starred data are from Britannica Book of the Year 1993, p. 843.

6) Self-employed. The percentage of the population that work for themselves.
Source: Britannica World Data 1990.
*Britannica Book of the Year 1993, pp. 798-803.

7) Size. Average household size indicates the number of people living in a house.
Source: United Nations Demographic Yearbook 1993, pp. 313-362.
*Britannica Book of the Year 1993, pp. 786-791.

8) Living. Living space figures are the average number of rooms per dwelling unit.
Source: Britannica World Data 1990
*Britannica Book of the Year 1993, pp. 864-869.

9) Water. The percentage of households with piped water.
Source: Britannica World Data 1990
* Britannica Book of the Year 1993, pp. 864-869.

10) Electricity. The percentage of households with electricity.
Source: Britannica World Data 1990
*Britannica Book of the Year 1993, pp. 864-869.

11) Life. Average total life expectancy for 1993.
Source: World Population Data sheet 1994. Population Reference Bureau, Inc.

12) Doctors. The number of people per physician.
Source: The World Almanac and Book of Facts 1994
*Britannica Book of the Year 1993, pp. 876-881.

13) Calories. Daily available calories per capita (1987-1989).
Source: Britannica Book of the year 1993, pp. 870-875.

14) Meat. Percentage of total calories derived from meat and poultry.
Source: Britannica Book of the year 1993, pp. 870-875.

15) Cereal. Percentage of total calories derived from cereals.
Source: Britannica Book of the year 1993, pp. 870-875.

16) Vegetable. Vegetable production in 1991 based on '000 metric tons. Example: Mongolia lists 22,000 metric tons of vegetable production per year. (1 metric ton = 2,204.62 pounds).
Source: Britannica Book of the Year 1993.

17) Tractors. Number of tractors per 1,000 ha (hectares). (1 hectare = 2.47 acres).
Source: Britannica World Data 1990.
* Britannica Book of the Year 1993, pp. 804-809.

18) Roads. Percentage of all roads that are paved.
Source: Britannica World Data 1990.
* Britannica Book of the Year 1993, pp. 834-839.

19) Teacher. Number of students for each teacher in the primary school levels (ages 6-11 years).
Source: Britannica Book of the Year 1994, pp. 888-893.

20) Literacy. The percentage of the total population over the age of 15 years that is able to read.
Source: Britannica Book of the Year 1994, pp. 888-893.

21) Libraries. Number of public libraries in a country.
Source: Britannica Book of the Year 1992, pp. 872-877.

22) Movies. The annual cinema attendance per 1,000 population.
Source: Britannica Book of the Year 1993, pp. 840-845.

23) Police. Population per police officer. A police officer is a full-time, paid professional, performing domestic security functions. Data include administrative staff but exclude clerical employees, volunteers and members of a paramilitary group.
Source: Britannica Book of the Year 1994, pp. 882-887.

NOTE: For additional sources see UNESCO Statistical Yearbook, UN Construction Statistics Yearbook, Yearbook of Labor Statistics, and World Development Report. The countries chosen in this lesson are only a representative sample of the countries available in these sources.

| | Total $ per head | Bread | Milk | Chicken | Coffee | Beer | Cigarettes | Coke | Phone Call |
|---|---|---|---|---|---|---|---|---|---|
| **Europe/OECD** | | | | | | | | | |
| Australia | 7,420 | 1.64 | 0.87 | 4.02 | 4.61 | 3.39 | 2.32 | 0.85 | 0.18 |
| Austria | 8,661 | 4.45 | 1.07 | 3.96 | 6.05 | 1.28 | 3.14 | 1.07 | 0.33 |
| Belgium | 9,050 | 2.71 | 0.71 | 4.52 | 5.05 | 0.64 | 1.70 | 0.66 | 0.15 |
| Canada | 9,344 | 1.76 | 1.19 | 3.38 | 3.83 | 2.80 | 3.04 | 1.69 | – |
| Denmark | 10,742 | 1.61 | 0.95 | 3.90 | 4.77 | 2.50 | 4.13 | 1.61 | 0.11 |
| Finland | 9,856 | 5.29 | 0.96 | 6.56 | 9.27 | 4.59 | 2.93 | 2.90 | 0.09 |
| France | 9,635 | 3.52 | 1.12 | 7.25 | 5.02 | 1.36 | 1.56 | 1.37 | 0.05 |
| Greece | 2,919 | 2.18 | 0.95 | 3.18 | 3.63 | 1.39 | 1.48 | 0.87 | 0.04 |
| Hungary | 1,616 | 0.46 | 0.26 | – | 3.16 | 0.56 | 1.75 | 0.62 | 0.04 |
| Ireland | 4,889 | 1.41 | 0.79 | 7.16 | 3.73 | 3.31 | 3.07 | 1.34 | 0.26 |
| Italy | 8,144 | 3.07 | 1.08 | 4.48 | 7.84 | 1.76 | 2.30 | 0.98 | 0.20 |
| Japan | 11,126 | 4.66 | 1.86 | 9.97 | 4.68 | 3.96 | 1.95 | 1.62 | 0.08 |
| Luxembourg | 9,562 | 2.79 | 0.81 | 5.22 | 5.77 | 1.16 | 1.48 | 0.75 | 0.15 |
| Netherlands | 8,858 | 1.29 | 0.61 | 3.42 | 5.08 | 1.10 | 1.92 | 0.74 | 0.07 |
| N. Zealand | 6,334 | 1.19 | 0.66 | 3.70 | 1.16 | 1.87 | 2.79 | 0.96 | – |
| Norway | 10,442 | 2.19 | 0.96 | 9.32 | 7.62 | 3.41 | 4.35 | 2.66 | 0.17 |
| Portugal | 1,861 | 2.30 | 0.89 | 2.43 | 5.38 | 0.54 | 1.82 | 0.62 | 0.06 |
| Spain | 4,740 | 2.67 | 1.12 | 3.51 | 3.71 | 1.12 | 1.61 | 1.13 | 0.19 |
| Sweden | 9,956 | 4.75 | 0.84 | 8.06 | 5.64 | 4.26 | 3.23 | 1.86 | 0.04 |
| Switzerland | 15,301 | 6.48 | 1.17 | 6.18 | 6.30 | 1.10 | 2.06 | 0.93 | 0.07 |
| Turkey | 1,360 * | 1.18 | 0.54 | 2.96 | 14.80 | 0.79 | 1.28 | 0.99 | 0.07 |
| UK | 7,396 | 1.40 | 0.95 | 3.98 | 3.58 | 3.35 | 2.77 | 0.95 | 0.31 |
| USA | 12,233 | 2.97 | 0.72 | 6.37 | 3.86 | 3.49 | 1.55 | 1.34 | 0.10 |

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| | Total$ | Bread | Milk | Chicken | Coffee | Beer | Cigarettes | Coke | Phone |
|---|---|---|---|---|---|---|---|---|---|
| **Asia** | | | | | | | | | |
| Bangladesh | 129 | 7.25 | 0.65 | 2.25 | 0.82 | - | 1.43 | - | 0.06 |
| China | 217 | 1.93 | 1.24 | - | 13.52 | - | 1.85 | 2.35 | - |
| Hong Kong | 5,129 | - | 1.03 | 5.03 | 2.97 | 1.32 | 1.47 | 0.75 | - |
| India | 207 | 0.47 | 0.54 | - | 0.23 | 1.25 | 1.88 | 1.13 | 0.06 |
| South Korea | 1,429 | 2.75 | 1.37 | 3.77 | 2.70 | 3.33 | 1.37 | 0.97 | 0.05 |
| Malaysia | 815 | 1.78 | 1.23 | 2.13 | 3.50 | 3.45 | 1.19 | 0.72 | 0.06 |
| Pakistan | 271 | 0.35 | 0.50 | 2.09 | 5.91 | 3.73 | 1.00 | 0.88 | 0.03 |
| Papua NG | 502 | 1.42 | 1.22 | 4.90 | 6.38 | 3.02 | 2.57 | 1.53 | 0.17 |
| Philippines | 482 | 1.01 | 1.16 | 2.07 | 2.08 | 0.84 | 0.53 | 0.48 | 0.13 |
| Singapore | 3,103 | 1.85 | 1.08 | 3.64 | 3.39 | 4.53 | 1.79 | 0.79 | - |
| Taiwan | 2,741 | 1.77 | 2.13 | 6.43 | 6.65 | 1.68 | 2.66 | 3.19 | 0.04 |
| Thailand | 542 | 1.36 | 0.62 | 1.73 | 2.25 | 2.23 | 1.35 | 0.52 | 0.12 |
| **Africa** | | | | | | | | | |
| Cameroon | 747 | 4.07 | 1.44 | 11.87 | 5.40 | 1.63 | 2.12 | 1.29 | 0.63 |
| Congo | 930 * | 4.31 | 1.17 | 7.32 | 3.69 | 1.11 | 1.66 | 1.36 | 0.55 |
| Cote d'Ivoire | 736 | 5.85 | 0.88 | 5.44 | 1.18 | 2.39 | 1.75 | 1.06 | 0.35 |
| Gabon | 934 | 9.24 | 1.63 | 6.47 | 4.26 | 1.24 | 1.68 | 0.77 | 0.43 |
| Kenya | 231 | 0.45 | 0.39 | 2.91 | 4.05 | 1.01 | 2.14 | 0.42 | 0.05 |
| Nigeria | 621 | 2.46 | 2.39 | - | 5.12 | 0.55 | 0.75 | 0.39 | 0.03 |
| Senegal | 404 | 4.22 | 1.16 | 4.09 | 5.31 | 2.00 | 1.29 | 0.69 | 0.47 |
| South Africa | 2,283 | 1.23 | 0.57 | 2.19 | 2.10 | 1.64 | 0.99 | 0.63 | - |
| Togo | 201 | 4.05 | 1.21 | 5.28 | 19.25 | 2.82 | 1.06 | 0.87 | 0.88 |
| Zimbabwe | 352 | 0.29 | 0.38 | 1.68 | 4.37 | 0.43 | 0.40 | 0.48 | 0.06 |
| **Mid-East** | | | | | | | | | |
| Algeria | 2,110 * | 0.20 | 1.35 | 4.04 | - | 1.08 | 3.37 | 0.40 | 0.13 |
| Bahrain | 6,610 * | 0.57 | 1.65 | 2.87 | 3.76 | - | 1.15 | 0.97 | 0.17 |
| Egypt | 401 | 1.20 | 0.67 | 2.88 | 8.68 | 1.08 | 0.96 | 0.84 | 0.02 |
| Iran | 2,273 | 3.06 | 3.74 | 27.21 | 191.29 | - | 20.74 | 3.60 | 0.17 |
| Jordan | 1,336 | 0.46 | 0.72 | 1.81 | - | 1.29 | 1.59 | 0.46 | 0.01 |
| Kuwait | 444 | 0.81 | 0.91 | 2.69 | 3.41 | - | 0.99 | 1.08 | - |
| Libya | 183 | 1.77 | 2.13 | 6.43 | 6.65 | 1.68 | 2.66 | 3.19 | 0.04 |
| Morocco | 636 | 1.86 | 0.56 | 3.09 | 8.36 | 0.67 | 2.48 | 0.67 | 0.10 |
| Saudi Arabia | 6,230 * | 2.31 | 1.65 | 6.00 | 3.29 | - | 0.90 | 1.01 | 0.09 |
| Tunisia | 923 | 4.88 | 0.47 | 2.41 | - | 1.53 | 2.01 | 0.40 | 0.12 |
| UAE | 18,430 * | 2.04 | 1.86 | 3.68 | 2.55 | 0.85 | 0.99 | 1.13 | 0.14 |

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| | Total $ per head | Bread | Milk | Chicken | Coffee | Beer | Cigarettes | Coke | Phone Call |
|---|---|---|---|---|---|---|---|---|---|
| **Latin America** | | | | | | | | | |
| Argentina | 1,127 | 0.78 | 0.21 | 0.97 | 1.41 | 0.30 | 0.75 | 0.32 | 0.01 |
| Brazil | 1,469 | 0.69 | 0.41 | 0.55 | 0.67 | 0.50 | 0.29 | 0.47 | 0.05 |
| Chile | 1,609 | 2.91 | 0.52 | 1.89 | 2.10 | 0.86 | 1.19 | 0.37 | 0.07 |
| Colombia | 935 | 1.29 | 0.39 | 1.93 | 1.06 | 1.04 | 0.55 | 0.82 | 0.01 |
| Costa Rica | 1,369 | 1.87 | 0.60 | 2.25 | 2.36 | 0.15 | 0.93 | 0.50 | 0.03 |
| Ecuador | 808 | 0.63 | 0.21 | 1.73 | 1.16 | 0.38 | 0.59 | 0.21 | 0.01 |
| Guatemala | 751 | 1.07 | 0.54 | 1.77 | 1.62 | 1.80 | 0.96 | 0.54 | 0.03 |
| Mexico | 1,566 | 1.31 | 0.67 | 6.84 | 2.58 | 2.49 | 0.99 | 0.99 | - |
| Panama | 1,317 | 1.02 | 0.74 | 2.88 | 6.96 | 1.00 | 1.19 | 0.58 | - |
| Paraguay | 1,039 | 0.85 | 0.25 | 1.03 | 1.36 | 0.74 | 0.66 | 0.29 | 0.05 |
| Peru | 743 | 4.35 | 0.55 | 2.87 | 2.62 | 1.96 | 2.07 | 0.94 | 0.02 |
| Puerto Rico | 5,032 | 2.06 | 0.93 | 6.51 | 4.14 | 2.61 | 2.69 | 1.11 | 0.19 |
| Uruguay | 2,407 | 2.27 | 0.30 | 1.95 | 2.78 | 0.68 | 1.69 | 0.62 | 0.03 |
| Venezuela | 2,142 | 1.93 | 0.50 | 2.35 | 2.31 | 1.12 | 0.77 | 0.44 | 0.02 |

Source: The Economist. *Book of Vital World Statistics*. 1990.
* Source: Encyclopaedia Britannica *1991 Book of the Year*.

1989 retail prices in major city based on purchase from an average supermarket or store.
Prices are in US dollars, converted at the October 1989 exchange rate.

Bread = 1,000 g. white bread.
Milk = 1 litre pasteurized milk.
Chicken = 1 kilogram.
Coffee = 125 g. instant coffee.
Beer = 1 litre local brand beer.
Cigarettes = 20 Marlboro cigarettes.
Coke = 1 litre.
Phone = charge per local telephone call from home.

# WHAT DOES IT COST IN . . . . . . .?

**Introduction**

A part of being a globally conscious consumer is having some idea of how much typical consumer items cost in various parts of the world, how much these items cost relative to the amount of money people have in those places, and how the cost of these items compares to the cost in the United States.

**Objectives**

Students will be able to:

- Gain an understanding of what typical consumer items cost in various nations around the world.
- Compare costs of typical items in various nations.
- Calculate the cost of typical consumer items relative to the amount of money people have available for consumer spending in these nations.

**Grade Level**

8-12

**Time**

Three hours

**Materials**

Handout #34, "World Data", from "Consumer Strategies Around the World."
Handout #35, "Retail Prices"
Handout #36, "What Does It Cost In. . . . . .?"

**Procedures**

1. Ask students to list their guesses for the cost of the following items. List these items on the chalkboard and record some of the guesses. Then tell them that the following were the average prices for these items in the United States in 1989.

| | |
|---|---|
| One loaf of bread (.454 grams) | $ 1.48 |
| One quart of milk (.946 liter) | $ .76 |
| 2.2 lbs. of chicken (1 kilogram) | $ 2.89 |
| 2.2 lbs. of fish (1 kilogram) | $12.00 |
| One/third lb. instant coffee (125 grams) | $ 3.86 |
| One quart of beer (.945 liter) | $ 3.68 |
| One fifth of whiskey | $13.86 |
| One pack of Marlboro cigarettes | $ 1.55 |
| One bar of soap (estimated) | $ .65 |
| One pair of children's jeans | $38.97 |
| One local phone call from your home | $ .10 |
| One quart of Coke | $ 1.41 |

2. Now ask students to guess what these items might cost in Germany or Spain or Egypt or India. Tell them that this activity will help them learn how much these typical items cost in a variety of nations.

3. Assign each student a nation. make sure that you have a good mixture of nations from all parts of the world. Tell the students to complete the "What Does It Cost In. . . . . . .?," Handout #36.

4. Distribute the three handouts and go over each one with the students. Make sure that they can do the calculations necessary to convert some of the metric measurements into quarts etc. A list of conversions is printed on the "What Does It Cost In. . . . . .?" Handout #36.

5. When the students have completed the handouts, have each one report to the rest of the class on their completed handout.

6. Have a whole class discussion on question #5 from the handout. Also ask:

- Is it fair for some nations to have such cheap prices and so much money to spend when people in other nations have so little?

- Do you think that in the long run such inequalities will last?

# "WHAT DOES IT COST IN . . . . . . . ?"

1. What is the name of the country you are studying?

2. Using the conversion table below, calculate the cost of the following items for your country.

1 lb. = 454 grams
1 kilogram = 2.2 lbs.
1 quart = .946 liter
125 grams = .36 lb.

| | |
|---|---|
| 1 loaf of bread (1 lb.) | $ ________________ |
| 1 quart of milk | $ ________________ |
| 1 lb. of chicken | $ ________________ |
| 1 quart of beer | $ ________________ |
| 1 pack of Marlboro cigarettes | $ ________________ |
| One/third lb. of instant coffee | $ ________________ |
| 1 quart of Coke | $ ________________ |
| 1 local telephone call | $ ________________ |
| Total | $ ________________ |

3. Calculate the total cost of all these items for your nation. Then calculate the total cost of these items for the U.S. (They are listed on the chalkboard.) Which is greater?

4. Find the total consumer spending per head for your nation from Handout #35, "Retail Prices," and also find the total for the United States from the same handout.

- Your nation total ____________ U.S. total ________________ .
- What percentage does the cost for all the items above represent compared to the total consumer spending per head for your nation? ________________
- What percentage does the cost for all the items above represent compared to the total consumer spending per head for the United States? ________________________
- Compare the percentage for your nation with that of nations studies by other students in the class.

5. What inferences can you make about the lives of consumers around the world from the information you have discovered during this activity? List them below, or on the back, and be prepared to talk about them with the rest of the class.

## GASOLINE, GASOLINE, GASOLINE

**Introduction**

Gasoline consumption represents a large part of the world's total energy consumption. Pollution from automobiles, therefore, is also a big contributor to the world's pollution. Certain nations have attempted to reduce gasoline consumption by taxing its use. This activity asks students to consider how their lives might be altered if gasoline taxes were increased in this country.

**Objectives**

Students will be able to:

- Calculate increased cost of gasoline given various tax rates.
- Imagine ramifications on their own lifestyles given changes in gasoline taxes to the rate used in other nations.
- Brainstorm positive alternatives to high gasoline consumption.

**Grade Level**

8-12

**Time**

Two hours

**Materials**

Handout #37, "World Gasoline Prices and Taxes"

**Procedure**

1. Ask the students to guess the number of gallons of gasoline used by the average driver per year in your country. List some of their guesses on the chalkboard.

2. Ask the students to calculate the cost of gasoline used by that average driver based on the cost of gasoline locally at the time you do this activity. List these amounts on the chalkboard next to the corresponding estimates. Tell them that the current average driver in the U.S. uses about 550 gallons of gasoline per year. Ask them to calculate the cost of that much gasoline.

3. Distribute the handout and go over the statistics with the class to make sure they understand the chart. Ask them to complete the questions on the handout.

4. When they have completed the handout, discuss their responses to the questions with the entire class.

Handout #37
Page 1 of 2

## "WORLD GASOLINE PRICES AND TAXES"

According to the Book of Vital World Statistics figures for 1988 (the latest year for reliable data), gasoline prices and taxes on gasoline for selected nations are listed below.

| NATION | COST PER GALLON/GASOLINE | % OF TAX IN COST |
|---|---|---|
| South Korea | $ 2.07 | 49.6 |
| Brazil | $12.10 | n / a |
| Uganda | $ 5.03 | 74 |
| Saudia Arabia | $ .35 | 0 |
| Denmark | $ 3.55 | 71 |
| France | $ 2.94 | 75.5 |
| Italy | $ 3.75 | 80.7 |
| Japan | $ 3.44 | 36.4 |
| Portugal | $ 3.33 | 74 |
| U.S. | $ .95 | 28 |
| India | $ 1.87 | 19.9 |
| Switzerland | $ 2.61 | 69.2 |
| U.K. | $ 3.19 | 62 |

*Average U.S. consumption per driver per year = 550 gallons

1. Which nations have the cheapest gasoline? Why do you think this is so? ____________________

______________________________________________________________

______________________________________________________________

______________________________________________________________

2. Which nations have the lowest tax rate? Why ______________________________

______________________________________________________________

______________________________________________________________

______________________________________________________________

3. How much does a gallon of gasoline cost, less the tax, in the following nations?

Italy ______________ Denmark ______________ Portugal ______________
South Korea __________ U.S. ______________ India ______________
Japan ______________ Uganda ______________ France ______________

4. What do you think the cost of the gasoline (less the tax) is so different in each of these nations? ______________________________________________

______________________________________________________________

______________________________________________________________

5. Which three nations have the highest gasoline tax? ________________ ________________ ________________

6. Why do you think these nations have such a high tax rate on gasoline? ________________
________________________________________
________________________________________
________________________________________

7. How much money does the average U.S. driver spend per year on gasoline? ________________
How much does the average U.S. driver spend per year on gasoline taxes? ________________
How much would the average U.S. driver spend per year on gasoline taxes if s/he were charged the tax rate used in Italy? ________________ Uganda? ________________
Japan? ________________ France? ________________

8. If you had to pay $3.75 per gallon for gasoline, how do you think your life would change? List at least six changes below and put a + beside those you perceive as positive and an = beside those you perceive as negative. Please note that of the total miles driven by the average U.S. driver, 35% are driven from home to work, 13% are driven on shopping trips, 22% are driven on personal business, and 30% are driven for recreation purposes.

9. List two reasons for raising the taxes on gasoline in the U.S. and list two reasons for keeping the taxes the same as they are now. Do you feel that eventually taxes will have to be raised? Why or why not?

# A LITTLE CAN MEAN A LOT

**Introduction**

When consumers are confronted with the enormity of the world's resource scarcity/environmental crisis, they often throw up their hands and say, "What can I do?" This activity attempts to illustrate the significance of seemingly minor changes that the average consumer can make in his or her lifestyle which can make a huge impact on reducing consumption and preserving more of the environment.

**Objectives**

Students will be able to:

- Analyze statistics related to the use of compact fluorescent lamps and to calculate the long term effects on the environment related to their use.
- Become familiar with the concept of high initial cost often equaling efficiency and longevity.
- Differentiate between incandescent and fluorescent lamps with respect to several criteria.

**Grade Level**

8-12

**Time**

One hour

**Materials**

Compact fluorescent and incandescent bulbs
Handout #38, "Incandescents versus Fluorescents"

**Procedures**

1. Show students both types of bulbs and briefly discuss their differences. Distribute the handout and go over it briefly with the students.

2. Ask the students to read the Handout #38, and complete the questions.

3. Ask the students to form trios and compare their answers to the questions on the handout.

4. Discuss the student responses to the questions on the handout, emphasizing how such a seemingly minor change in consumer behavior can have such a great effect on the environment.

# "INCANDESCENTS VERSUS FLUORESCENTS"

The incandescent electric light bulb is the most common form of lighting device used worldwide. They account for 98% of all light bulbs sold. They operate by heating up a small filament inside the bulb to the point that it glows, releasing light. However, 90% of the energy used by this type of bulb goes into heating the filament, which causes the filament to eventually burn up. Nine billion of these bulbs are sold each year at a cost of roughly $.50 per bulb.

The compact fluorscent bulb operates when electricity is used to excite a gas confined in the tube. The gas releases ultraviolet rays, which interact with phosphors coating the inside of the bulb and release light. This type of lighting device accounts for 2% of the world sales of lights or about 38 million of these bulbs each year. Each of these bulbs lasts as long as about 10 incandescent bulbs, and they require far less electricity to operate. For example, a fluorescent bulb, consuming electricity at $.08 per kilowatt hour (the U.S. average) for three hours per day will eventually save the user $35 per year. In Japan, where electricity is #.13 per kilowatt hour, the saving is $55 per year. The cost of one fluorescent bulb is about $15 to $20, so the high initial cost discourages potential buyers even though in the long run they will save money over using incandescent bulbs.

It has been estimated that for every 19 million compact fluorescent bulbs sold, enough electricity is saved to close down one nuclear power plant. A nuclear power plant generates radioactive wastes that remain dangerous for many years. Radioactive wastes are measured in Gamma wave years or the total number of years a given amount of waste will remain dangerously radioactive. Each nuclear power plant generates wastes over its 30 year lifetime equal to 225 Gamma wave years.

Compete the following questions:

1. If a house in the U.S. had 25 incandescent light fixtures that were replaced by compact fluorescent lights, how much money would the homeowner save each year? ________________

______________________________________________

2. Calculate the savings for the same home in Japan? ________________

______________________________________________

3. If North Americans doubled their use of compact fluorescent bulbs, how many nuclear power plants could be shut down? ________________

______________________________________________

______________________________________________

4. If the world doubled its use of flourescent bulbs, how many nuclear power plants could be shut down? ________________

______________________________________________

5. Why do you think people don't buy compact fluorescent bulbs? ____________________________

______________________________________________________________________________

______________________________________________________________________________

6. If incandescent bulbs were no longer manufactured and everyone in the world used compact fluorscent bulbs, how many nuclear power plants would be shut down?

______________________________________________________________________________

7. How many Gamma wave years of radioactive wastes could be eliminated if people in North America tripled their use of compact fluorescent bulbs? ______________________________________

______________________________________________________________________________

So, as can be seen, by simply changing the way one lights his/her homes, schools, and businesses, one can dramatically lessen the negative impact on the environment and save money at the same time.

## DEVELOPING A PLAN

**Introduction**

This should be the culminating activity of the unit on the consumer in the global marketplace. It allows students to develop action plans for consumer behavior based on what they have learned in this unit.

**Objective**

Students will be able to:

- Develop action plans for consumer behavior based on what they have learned in this unit.
- Make commitments to change their own consumer behavior.
- Re-emphasize the gravity of the global situation with regard to waste and unequal distribution of resources.

**Grade Level**

8-12

**Time**

Four hours

**Materials**

Handout #39, "Action Plan"
Newsprint and markers

**Procedure**

1. Divide students into groups of three and tell them that each group is a Presidential advisory team which has been given the task of developing an action plan consisting of two parts. Distribute Handout #39, "Action Plan," and have students use it as the base for their plans.

2. Explain to the students before they start their plans that:

**There is widespread realization among the nation's citizens that the current lifestyle of over consumption in the developed world, if continued, will doom millions of people to death or lives of horrible suffering. There is overwhelming support for more direction from the President as to what the nation needs to do in order to avoid this crisis. You will need to address some of the issues discussed in previous classes in your plans.**

3. When the students have put their plans together, have each group list their recommendations on newsprint.

4. Have three groups meet together and present their plans to each other. Each larger group is to complete a compromise plan based on their three plans.

5. Post the revised plans around the room and discuss the plans with everyone.

6. Discuss with the students the need for them to consider making individual commitments regarding their own consumer behavior. Also discuss with them what they might do to help others change their consumer habits.

# ACTION PLAN

Part 1.

A list of recommendations, and a rationale for each recommendation, for changes in individual consumer behavior in this country.

Part 2.

List governmental actions, and a rationale for each action, which will lead to the development of a more sustainable economic system in this country.

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